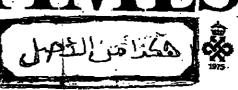
PUBLISHED IN LONDON AND FRANKFURT

Monday April 30 1979



Hillier Parker PROPERTY ADVISERS London - West End & City, Edinburgh, Pans, Amsterdam, Sydney, Melbourne, Brisbane

Iran oil

exports

3m. b/d

• IRAN is to hold oil exports

Already an energy crisis for the

West next winter is being

nanage this output without

Iran is confident it

foreign experts, Back Page

A form of nationalisation for Iranian banks, insurance com-panies and some sections of

industry is envisaged in a draft

most having come in before the

Bank of England's April 5

concerned with Rhodesian oil

SATELLITE-BASED com

munications system will be

under a £70m contract with

GEC subsidiary Marconi Space

e POST OFFICE is to true to introduce manual billing of telephone customers to bypess the effects of the computer workers strike which has halfed

the issue of all telephone balls since April 5. Page 8

• SHARP RISE in the costlot

O NEW SPANISH Covernment

monetary measures include a

brake on foreign credit. Firms

seeking funds in the Euro-

market will have to make a peseta deposit with the Bank of

Spain for 25 per cent of the

● EEC and China have post-

poned the first meeting of a trade committee which was to

have, taken place in Peking

next, month because member

States cannot agree on limits for Chinese cotton cloth exports

• FACTORY closures are expec-

ted following over-production of

industrial fasteners in western

their working capital as a con-dition of official recognition.

This is one of the main require-

ments in an order published by

the Insurance Brokers' Registra-tion Council. Page 4

• PAKISTAN'S wheat harvest

is expected to be in excess of

the 9.5m tonne target and is

bound to have a favourable

impact on the country's large

O CONSORTIUM offer for Sir

Hugh Fraser's family trust's holding in SUITS has been

defended in the latest round of

the SUITS-Lonrho battle. Page

● BABCOCK AND WILCOX, the

engineering and contracting

combine, was committed to capi-

tal expenditure of £43.8m at

the end of 1978, compared with

£27.9m 12 months earlier,

according to the annual report.

LIFE

Assurance

to the Community.

Europe. Page 4

trade deficit.

COMPANIES

credit value.

and Defence. Back Page

supplies. Back Page

SIGNIFICANT amount of

constitution. Page 2

pegged at

race Nuclear waste go-ahead by U.S.

> The U.S. Administration has efficially approved the export of another shipload of spent nuclear fuel by Japan for repropredicted. essing at Windscale and at La

Hague in France.

The approval, subject to Congress backing, was given by the U.S. Nuclear Regulatory Commission despite fears that the reactor accident at Three Mile Island might have delayed the granting of Japanese export

foreign currency is likely to flow into the UK this month. . The spent nuclear fuel storge capacity of the two spanese electrical companies is almost full and they might have had to stop operating if export of nuclear waste was delayed. decision to stop large scale intervention to check the rise in the exchange rate. Back Page

Atom leak probe

Shell have been served with notices requiring them to give Scotland Yard all documents The Energy Secretary has called for a public inquiry after a report showed that there was a four-month delay before samples from a serious radioactive leak at the Windscale nuclear plant were properly analysed and investigated introduced soon on a number of larger British naval vessels

Interpol alert

Interpol has asked Continental ports to look out for a luxury yacht believed to have been sailed from Guernsey by two brothers wanted for questioning in connection with the death of a water board official in Dunsfold, Surrey.

**Uister security** 

A part time Ulster soldier was shot dead near Edendork, pushed the FT grocery price (Co. Tyriong, yesterday as index up 1.76 per cent in April, Northern Ireland pulice began a security round up prior to the General Election. At least 25 world's shipping inc. General Election. At least 25

World's: shipping int.

World's: shipping int.

World's: shipping int.

Sympathisers have been held in

Britain's bulk carrier fleet out | IMPORTED CARS are believed their share of the

East-West deal

France and the Soviet Union have signed a wide-ranging document pledging to work for East-West detente, but remained divided on disarmament after three days of talks in Moscow. Page 2

Poll 'dead heat'

Early returns in the State elections in Schleswig Holstein, West Germany, showed the Christian Democratic Government to be apparently in a dead lieat with the Opposition Social Democrats.

Istanbul curfew Turkey has jailed seven trade gion leaders and ordered a May Day to prevent workers . INSURANCE brokers will

m holding a rally in defiance: need to keep at least £1,000 in at an official ban. Page 2 Buez passage

fee of \$10,000 has been paid the Suez Canal passage of the freighter Ashdod, which will be the first Israeli ship to pass through the canel, Page 2.

**Vorster accused** 

Dr. Connie Mulder, the former South African Information Minister involved in an administration scandal, said he was forced to lie in Parliament on the instructions of Mr. John Vorster, former Prime Minister and now State President. Page 2

Briefly . . .

lese Rates .... Ivilding Notes Ivsinesaman's

ntertainment Gde. Inaucial Diery ...

ın's Dry,

Israeli Cabinet has voted to bring in the death penalty for inhuman terrorist crimes.' French marine experts rule out serious poliution following the sinking of the tanker Gino off Brittany.

Spanish Grand Prix was won by Patrick Depailler of France driving a Ligier.

nearly Society's total funds, inluding destroyed half a million bottles of port the proprietor fund and investand brandy in Sandeman stores ment reserve, reached £1.01bn at Vila Nova de Gaia, Portugal. last year. Page 30

Page 30

- CONTENTS

Harrisburg: Aftermath of engineering; U.S. ecothe U.S. near-disaster ... 16 nomy ..... UK election: Labour's pro- Lex: Tax incentives and the posed wealth tax ....... 29 Mexico: dilemma of debt in an oil economy ..... 3

Management
Men and Matters...
Money & Exchanges
O'seas News

Loi Monory ..... 44 Lombard: Samuel Brittan on restrictive practices . 14 Surveys: Argentina 17-28. Editorial comment: British Grocery industry 37-41

ANNUAL STATEMENTS

ANNUAL STATEMENT Bambers Stores ... British Printing ... British Printing ... British Printing ... Portals Holdings ... Prov. Life London Queens Most Hass. Sun Life Assurance INTERIM STATEMENT

For latest Share Index phone 01-246 8026

### Times halts first European edition after violence

BY GUY HAWTIN IN FRANKFURT AND JOHN LLOYD IN LONDON

The management of Times Newspapers yesterday abandoned production of the first issue of its European weekly edition. The decision followed three down to about 3m barrels a day-less than two-thirds of the output before the revolution. days of violent demonstrations outside the works where it was to be produced.

The halting of production was surprising because West Germany's print trade union, Industriegewerkshaft Druck and Papier (IG Druck), confessed last week that it had virtually no hope of stopping the first edition.

The violence appears to have occurred late on Saturday and early Sunday. Times management said that there were fears of widespread sabotage at the printing works, TER Druckerei, the Zeppelinheim-based sub-sidiary of the Turkish Tergeman newspaper group.

A paraffin-soaked rag had been thrust into a ventilator leading an inquiry into the allegations to the machine room and serious of violence. He is to address damage could have occurred if it had been ignited.

A BBC reporter who had attempted to gain admission to the plant yesterday morning said that he had been physically prevented from approaching it by the demonstrators. A "knife was produced," and his associated with violence, and car tyres were slashed, he added that he found it difficult

The European edition was planned in order to make The Times available to its international readership in weekly form while the UK paper remained unpublished. The project was stepped up employs non-unionised immi-after a re-launch of Times grant workers, where an newspapers, which had been extreme right-wing newspaper planned for April 17, was abandoned because of a dead-lock in negotiations between management and the print union involved, the National Graphical Association.

dent, said yesterday that Times Newspapers "bore a heavy responsibility" for any violence which might have occurred. He said that the NGA would continue to count on the support of IG Druck, and that his union would be instituting

Mr. Les Dixon, NGA presi-

representatives journalists today. Mr. Dixon, who had earlier heard a report from Mr. John Willats, an NGA national officer who returned from Germany on Saturday, said that there was "no way" the union could be added that he found it difficult to believe that IG Druck would

demonstrations. "It is astonishing that a paper with the reputation of The Times would give a contract to a company which

is printed.

The Times management made its announcement at a hastily-called Press conference at a hotel near Frankfurt inter-

national airport.

A puzzling aspect of the affair is that the Press were informed of the decision not to print at 11 am, yet a spokesman for the printers said that his company was not informed until 2 pm of The Times' decision.

Mr. Michael Mander, the eputy chief executive of Times Newspapers, and Mr. William Rees-Mogg, editor of The Times, said that it had been decided to abandon printing in Frankfurt because of "criminal violence" by demonstrators at the printing plant.

The decision had been made solely by the management of The Times who felt that the risk to life and property that the print run would entail was unjustified. A statement issued by The

responsible for violent Times management after the Press conference said that the local police were prepared to provide protection for the print

Continued on Back Page

### Imports take record 56% meat, fresh fruit and usgetables pushed the FT grocery price index up 1.76 per cent in April. of British car market

to have taken a record share of the UK market this month. Figures circulating within the industry show that imports accounted for 56.5 per cent of home sales in the first 24 days of April compared with less than 49 per cent in the same period a year before and 55.2 per cent A resurgence in Ford sales

has taken its share of the market to nearly 33 per cent, but BL Cars dropped back to only 18.3

Total U.K. sales during April seem likely to exceed the 136,000 of 12 months ago and will raise hopes that demand could approach the record level of

The disturbing factor for the importers are consolidating cent last month to 8 per cent cent.

Contrary to industry forecasts that imports this year would remain fairly stable at around 50 per cent, cars manufactured overseas not only accounted for nearly 54 per cent of sales in the first three months but are continuing their advance. The good showing by Ford

this month must account for some of the growth. Cortinas are being imported from Belgium and West Germany, and Fiestas from Spain, to keep pace with demand. Nearly 50 per cent of Ford cars sold in the UK in the first three months of the year were assembled overseas compared with about one-third 12 months earlier.

Chryşler UK, which imports The disturbing factor for the the increasingly popular the first quarter against a tar-UK assembly and component Horizon from France, has raised get for the year as a whole sector is the extent to which its market share from 7.42 per thought to be around 25 per

as a result of delayed pay deals.

published at the beginning of

month reported

and output expectations, reflect-

detailed quarterly survey are

The Confederation of British

to the industry esti mates. Vauxhall accounted for 6.6 per cent in the first 24 days of the month.

The upsurge in imports is viewed with some concern in BL Cars, but a senior executive said last night that the company's apparently poor April performance should be viewed in context. He claimed that an incentive scheme to Austin-Morris dealers which closed at the end of March could have pulled sales forward into that month, when BL had 20.8 per cent of the market. aggressive promotions campaign coupled with some mode improvements would boost BL

sales for the year as a whole. BL Cars claimed just over 22 per cent of the UK market in

### Economic activity recovers

BY PETER-RIDDELL, ECONOMICS CORRESPONDENT

activity appears to have recovered quite sharply from the effects of the industrial disputes and of bad weather at the Industry monthly trends inquiry beginning of this year. This is suggested by a variety of new the retail sales and business significant pick-up in demand opinion data. However, there is uncering some catching up after the tainty about whether the upturn disputes."

merely represents a temporary catch-up, and hence about the underlying level of demand. The latest figures from the department stores and food shops of the John Lewis industry suggest an upturn in Partnership indicate a rise of activity, though possibly only nearly 23 per cent in the value, of a temporary nature. of sales in the four weeks to has been nearly a fifth. This could be explained both the economy.

be published at the end of next week. Meanwhile, reports from

A revealing indication of the April 21 compared with the thinking of business is provided same period of 1978. Over the by the latest ITEM forecasts by last couple of months the rise an independent group using the Treasury's forecasting model of The business by a reduction in the level of members of the group from big. Big foreign currency inflows personal savings from previous companies supply the judgments

THE LEVEL of economic high levels and by the impact of required for the economic projections rather than officials.
The ITEM commentary notes large back-payments of wages that these business members believe that temporary factors were dominant in the slowdown in the economy over the winter. consequently, a strong recovery of manufacturing output has been built into the projections for the spring and summer of this year. This is similar to the response of the economy after the three-day week in 1974. The results of the more being collated and are due to This bounce-back has been imposed on the forecasts on the

basis of the members' experience with their own order books which showed few cancellations as a result of the winter's problems. Moreover, there may also be a delayed response to last year's increase in demand. But this may merely defer industry's difficulties until 1980.

### Initiative on inflation accounting

BY DAYID FREUD

THE UK accounting profession there are strong objections today launches an initiative to reach agreement on common procedures to adjust company accounts for the effects of in-

the Accounting Standards Committee, the rule-making body mandatory for all listed comof accounting, are the latest in a panies and all businesses with a debate that has aroused strong argument in the profession since the early 1970s.

The committee is inviting about 5,500 businesses within comments on its proposals, contained in Exposure Draft 24, over the next five months. It hopes that the suggested new standard will apply - unless Steering Group under the chair-

to financial statements for periods beginning on or after January 1, 1980. The draft proposes that with

certain exceptions such as in-The proposals, drawn up by surance and property investment, the standard should be turnover of £5m or more. The committee estimates that

this threshold would bring the scope of the standard.

The mandatory nature of the proposals, which were drawn up by the Inflation Accounting

manship of Mr. Douglas Morpeth, is in line with the original Morpeth proposals, which were rejected by the accounting profession in 1977. However, ED 24 calls for the inflation adjustment to be in the form of a supplementary statement to the historical cost accounts, rather than totally replacing them as the original Morpeth proposals laid down.

In this respect ED 24 follows the approach of the simple "Hyde Guidelines," which, however, are not mandatory on com-

> Continued on Back Page Details Page 5

### to tighten interest rates

By David Lascelles in New York

TRADING IN the key Federal funds market in the next few days is expected to show by how much the Federal Reserve Board has decided to tighten credit. For the first time in more

than four months, the Fed drained reserves from the market in the closing hours of last week to nudge interest rates up from the 10 to 10; per cent level where they have stood since December 20. The characteristically secre-tive move had been expected by the market for some days. But Mr. William Miller. Fed chairman, is likely to be

criticised for his handling of these latest moves. Market analysts have esti-mated the Fed's new minimum target range to be 101 to 101 per cent. The maximum should become clear when the Fed intervenes at its new upper limit. However, most

market economists believe the

Fed wants only a mild tighten-

ing, possibly to about 101 per The Fed's move came in the wake of the latest Consumer Price Index which showed prices rising at an annual rate of 13 per cent in the first three months of the year, and a surge in the money supply for the second week running.

It was therefore no surprise. But there is some concern in Wall Street about the way Mr. Miller has behaved during the intense speculation over interest rate changes which

has gripped the markets in the last two weeks. Before the last Fed Open Market Committee (FOMC) meeting on April 16, at which credit policy for the following month would have been set, he took the highly unusual step of declaring publicly that he did not think an increase in rates was justified.

His comments had a sooth-ing effect on the markets, although many in Wall Street disagreed with his view. Yet the new inflation and money supply figures changed the scene abruptly, and precipitated the Fed's policy change. Mr. Miller's public com-

ments were part of a ploy to fend off White House pressure to tighten credit, but there is a strong feeling in Wall Street that the Fed chairman should not speak out when the market is so sensitive. Editorial Comment, Page 16

Sears puts off price rises, Back Page

### Fed move Thatcher sure unions would help Tories

BY RICHARD EVANS, LOBBY EDITOR

would work with a Conservative Government, in spite of renewed attempts by Labour leaders to warn of the inevitable conflict that would follow a Tory victory in Thursday's General Election. In a speech to Conservative trade unionists in London. Mrs. Thatcher avoided an emotive attack on the unions. She con-centrated justead on the vital

in the country's economic re-covery if the Tories gained "When the dust settles, when the excitement of electioneering dies away, there is work to be done, and the union leaders will work with a democratically-elected Government as they have

role they would have to play

done in the past. Of that I am confident," she said. Although the remarks were carefully tailored for her trade union audience, they followed a tactical decision reached yesterday by Mrs. Thatcher and her

campaign managers against changin course for the three remainin campaining days. The evidence of the opnion polls continues to be contradictory, but Conservative leaders are confident that they still have a sufficient lead to gain an overall majority on Thursday .

They believe a change of strategy at this stage, which could only mean a more strident approach, would be counter-

#### **Conflicts**

Their view remains that the issue of the trade unions and their relations with the Govern-ment will benefit the Conservatimes after the industrial unrest of the winter.

But this is not the cpinion of Labour leaders, and Mr. Denis Healey, Chancellor, did his

He told the shop workers' conference at Eastbourne that Mrs. Thatcher took pride in her attitude ` of extreme

unremitting hostility to the "destroyers" in the trade unions. She openly rejected consessus, and gloried in confrontation. "It is clear that if she won the election, the British people

would be in for a re-run of their disastrous experiences under the last Conservative Government when Mr. Heath tried to improve industrial relations by facing union negotiators with

MRS MARGARET THATCHER an apparatus of bureaucratic expressed her conviction yester legal constraints. Do we day that trade union leaders really want to go through all that miserable experience again?" he asked. In a message to all Labour candidates today, the Prime Minister concentrates on meeting the Conservative pledge of

> increased prices. The truth was that the Conservatives had promised more than they could deliver. "They have been found out. That is why they are beginning to panic," he says. Apart from policies to counter inflation, Labour leaders intend to concentrate in the next three that a Thatcher Government would mean a massive reduc-tion in State aid to industry and

a subsequent loss of employ-

that this would inevitably mean

After the MORI poll in Saturday's Daily Express, which showed the Tory lead reduced to 3 per cent—barely sufficient for an overall majority-there was better news for the Con-servatives and a less hopeful trend for Labour yesterday. Gallup in the Sunday

Telegraph showed the Tories 8 cent in front, compared with 41 per cent a week ago. The latest poll by Marplan for the Weekend World programme on London Weekend Tele vision suggested that the Tories could have an overall majority of around 60 in the new

A survey in 100 key marginals in England-where the election will be won and lost—showed a Conservative lead of 13 per cent over Labour, one point up on a week ago. The figures were Conservatives 53 per cent. Labour 40. Liberal 7. This gives a swing of 6 per cent to the Tories since the last General Election General Election

The poll against this trend Healey, Chancellor, did his was by Research Services in utmost yesterday to warn the electorate of the conflicts that would follow a Tory piece. cent, but a big fail of 7 per cent over the week. The private polls of Conser-

vative Central Office are still showing a lead sufficient to give a working majority. Mr. David Steel, Liberel

leader, made a plea last night last television party political broadcast before the election for a substantial number of Liberal MPs to ensure that neither major party had an overall majority. Election News Page 6

Party games with capital taxes Page 29

### Who else has...

#### ...50 years' materials handling experience Hyster's experience is unique. And it shows. In our

wide range. In our appreciation of your requirements. And in our no-nonsense designs that save you time and money. So, if you're looking for a lift truck that offers higher productivity and lower materials

handling costs ~ without sacrificing quality or safety you're looking for Hyster.

#### and3manufacturing plants in Europe With 3 plants in Europe, of which the largest is in

Scotland, Hyster has the manufacturing capacity to deliver. And the manufacturing flexibility to cater for your individual requirements. Truck designs are subjected to the most punishing tests and stringent quality control procedures govern every stage of production. All to ensure that your truck will get the job done, however demanding.

#### Hyster offers over 70 different models. With up to 37 tonnes lifting capacity. Cushion or pneumatic. Petrol, diesel, LP-Gas

and over 70 lift

truck models

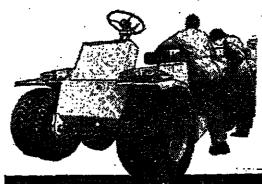
To ensure you get the

truck you need,

or electric. And a wide ranging choice of other options to custom-tailor the truck to your particular application. Everything from indoor warehousing to outdoor container handling, and 14 Customer Service Centres in

Britain? Naturally, quality products deserve quality back-up. So Hyster takes great care to select dealers who have the capability to meet your

requirements. Extensive knowledge of materials handling applications. And all the facilities you need. So that you obtain first-class after-sales service on your doorstep. Check for yourself. Today.



handline denhesd, Tel : Lintewick Green 2151 A. H. Masser Ltd., Tel.; Dubilo 384511. Beltast 617126, Cork 508624

BARLOW

Manufactured in Britain by Hyster. Sold and serviced in Britain by :



Iran 'to

insurance

A FORM OF nationalisation

is envisaged for Iranian b*a*nks,

insurance companies and cer-

tain sectors of industry in a

draft of the country future

constitution published in a

Tehran newspaper at the

The banks and insurance

companies would come under

the umbrella of a single

government authority which

supervise

be responsible for nationalisa-

tion of key and heavy in-dustries. Foreigners would only be allowed to work in Iran if the National Assembly

decided the tasks were neces-

sary and important.
No claim of complete

authenticity has been given

for what was published, but Mr. Haj Sayyed Javadi.

Interior Minister, said yester-

day it was an amalgam of

known views of the con-

The ne Islamic constitution

to replace that of the Shah's

dynasty is being drafted in

The Government would also

weekend.

activities.

stitution.

### Call for tanker crash inquiry

BY TERRY DODSWORTH IN PARIS

FRENCH NAVAL authorities seemed almost convinced last night that no significant coastal pollution will result from the sinking of the Liberian-registered oil tanker, Gino, off Britanny.

But the accident, occurring only a year after the Amoco-Cadiz disaster, led to an immediate call for an inquiry from the French shipping unions, and a demand for further tightening of international maritime regulations. The Gino. sailing into the Channel with a cargo of

BY TONY HAWKINS IN SALISBURY

one-man-one-vote elections.

Mr. Sithole has not been able

to substantiate his accusations.

Supervisory Commission had re-

out an independent commission

cast a shadow over the successful for by-elections.

Rhodesia's domestic black na- system of proportional repre-

tionalist parties this weekend sentation, there is no provision

ne-man-one-vote elections. At the same time, Chief The Rev. Sithole, leader of Jeremiah Chirau, leader of

ZANU, repeated his threat to Zupo, whose party failed to win

boycott the country's new Parlia- a seat at the election, has come

ment because of what he calls out against the poll, saying he "gross irregularities" at the wants the existing four-party polls.

But even after the Election that the elections in themselves

ported on Friday that it had they must be followed by an

no evidence of irregularities, all-party conference with the

This means that the 12 seats Chikerema, the Bishop's deputy

would remain vacant until the leader, decided to revive his Federal Party.

the ZANU leader said that with external Patriotic Front.

41,000 tonnes, went down after collision in fog with the Team Castor, an empty Norwegian vessel.

The two vessels were morin roughly opposite directions, about 25 miles to the west of Brittany, and well outside the new advisory shipping lanes recently established by the French and UK authorities to control traffic

Observers are puzzled that the tankers met almost head on in an area where shipping is required to give constant warnings of position.

Threat to Rhodesia Parliament

FRICTION between and within next election since under the personal attacks on the Bishop,

The Chief has always argued

would solve nothing, and that

To add to the difficulties of

of inquiry his party would rethe new Government to be including six Rhodesian Front fuse to take up the 12 seats established by Bishop Muzorewa supporters from Mr. Smith's

at the end of May, Mr. James

The Gino had also reported to the Brest authorities that it was due to enter the trafficcontrolled 20ne.

The position of the accident means that neither captain can be pursued under the new French law, passed this year, to punish alleged navigational negligence in the Channel. Questions are bound to be

asked again about the sur-veillance of Channel shipping, particularly in the area of Brittany, which has suffered a series of accidents in the past few years.

whom he has again accused of

"tribalism and nepotism" in the

selection of candidates for the

be sounding a warning to the

Bishop that in his Cabinet-

the Bishop will be able to choose nine Ministers—he

should take account of all tribal

elections by the Rev. Sithole and Chief Chirau, political observers here are convinced

that Bishop Muzorewa will

press on with implementing

the agreement appointing a

Cabinet from his own ranks and

party and two from Chief Ndiweni's United National

Despite the attacks on the

groups in the country

Mr. Chikerema appeared to

elections

secret Its publication has been postponed indefinitely because political difficulties are be-lieved to have arisen over regional autonomy and the Sunni Moslem minority.

The published draft says separatism is out of the question and non-Shia Moslems will be able to fead their lives in accordance with the principles of their own sects. The religious of Zoroastrians, Jews and Christians will also be recognised.

The document has, however, strong Islamic complexion. Article six is quoted as saying that the slogan of the Islamic Republic is "the best people are the most pious."

The courts will be run according to Islamic law, and religious leaders will appoint representatives to ensure that no anti-Islamic law is passed. The country's religious leader. —at present Ayatollah Khomeini-would be the final arbiter\_

Neither leftists nor rightist would be allowed to stand for the National Assembly. GISCARD AND BREZHNEV SIGN NEW ACCORDS

### take over' New life for Paris-Moscow detente

banks and THE SOVIET UNION and France have given a fresh impetus to their "special relationship " with the signature in Moscow of a programme for the development of detente and

> The documents, along with others covering the scientific, technical and cultural cooperation, were signed by Mr. Leonid Brezhnev, the Soviet leader and M. Giscard d'Estains, at the end of the French President's three-day official visit to the Soviet Union

Although M. Giscard d'Estaing described the meeting as "the most useful" he had had with the Soviet leader since he became President in 1974, and although Mr. Brezhnev said the Soviet Union had every reason to be satisfied with the outcome disagree on a number of impor-

The main bones of contention remain the two countries' ment, both in the nuclear and a new 10-year economic pro- attitude towards China. Mr. countries policies in all situagramme, spanning the period Brezhnev failed to convince his tions which threatened world visitor either to conclude a peace. non-aggression part with the And the 10-year economic Soviet Union "under which co-operation programme comboth countries would undertake plemented by a separate agree-

pons stationed in Europe. M. Giscard d'Estaing, on the other hand, made little progress in gaining the Soviet leader's support for a Pan-European disarmament conference on conventional weapons. However, 2 somewhat vague of the talks, it was clear that phrase in the detente pro-Paris and Moscow continue to gramme indicates that the French proposal has not been rejected out of hand.

The most concrete results of the Franco-Soviet discussions different policies on disarma on detente were the decision to hold bilateral summit meetings once a year and the underconventional fields, and their taking to co-ordinate the two

not to be the first to employ ment covering the period 1980-nuclear weapons," or to partici-pate in eventual SALT 3 talks tripling of trade between the two countries over the first five which would deal with mediumand short-range nuclear weayears of the next decade.

Its main emphasis is on industrial co-operation and the conclusion of long-term agreements between French companies and Soviet trade organisations. Although the annexes to the agreement, giving details of specific joint projects, have not yet been published; the document lists the areas which offer the best prospects for co-operation.

These include new sources of energy, energy-saving equiptransport equipment electronic products including machinery and machine tools, metals chemicals and petro-chemical products, The agreement specifies that

French companies and banks will take part in the building of industrial complexes in the Soviet Union and that similar Soviet institutions will take part in industrial projects in France. A special feature of the agreement is that French companies providing equipment, licences and credit for the building of factories in the Soviet Union will be partialy or totally reimbursed by the products manufactured by the

new industries. France and the Soviet Union have also agreed to grant each other credits for these joint projects "on the most favour-able conditions possible." But the precise credit terms were not revealed.

### Israeli ship for Suez as Sinai talks go on

TWO FURTHER steps were taken yesterday toward the relations between Egypt and Israel. While a freighter was heading up the Gulf of Suez to become the first Israeli vessel to pass through the Suez Canal for 25 years, the joint Egyptian-Israeli military committee was meeting in Sinai to discuss moves towards Israeli withdrawal from the peninsular.

Meanwhile the Israeli Government approved by a majority of one a proposal by Mr. Menahem Begin, the Prime Minister, to permit the military prosecutor to demand the death sentence in trials involving terrorism of extreme brutality.

Five ministers voted against the proposal, including Mr. Ezer Weizmann, the Defence Minister, and superhawk Mr. Ariel Sharon, Minister for Agricul-ture. One Cabinet member ture. Or abstained.

The freighter, the Ashdod, left Israel's Red Sea port of Eilat and is expected to join the north-bound convoy through the canal due to leave at 6 am

Its final destination is Haifa where it is to join the Mediterranean services of Zim, the Israeli shipping line.

The joint military committee, which is to supervise the Israeli pull-back from Sinai, met for the first time yesterday morning to discuss a programme of work, most of which will be carried out by sub-committees.

These will deal with the various military and civilian aspects of the withdrawal including the handover to the Egyptian authorities at noon on Friday, May 25, of the town of El Arish and the surrounding area. The committee is due to meet there on May 6.

The Israeli Cabinet is due to meet again today to consider proposals for a ban on public construction work, other than housing, so as to free manpower for the work connected with redeploying Israeli forces in the Negev and moving Israeli settlements from Sinai.

AP adds from Tehran: Iran is is seeking to establish. considering severing diplomatic ties with Egypt, Deputy Prime Minister Abbas Amir-Entezin

### Mulder forced to lie' to MPs

By Quentin Peel in Johannesburg DR. CONNIE MULDER, the

former South African Minister of Information, disgraced because of maladministration in his department, claimed yesterday he was forced to lie to Parliament on the instructions of Mr. John Vorster, the former Prime Minister, now the President.

He also claimed that a plan to buy the Washington Star newspaper for \$10m had been approved by a three-man Cabinet committee consisting of himself, Mr. Vorster, and Dr. Nico Diederichs, the late President and former Minister of

Mr. Pik Botha, South African Foreign Minister, and Mr. Chris Heunis, Economic Affairs Minister, met their counterparts from Botswana, Lesutho and Swaziland in Mbabane, in what is seen here as an attempt to launch talks on the "southern African allfance " South Africa

### China-Vietnam conflict may spread

By K. K. Sharma THE CONFLICT between China

and Vietnam now threatens to spread to other countries in Indo China Laos has asked the U.N. to intervene to protect it from armed attacks from China. Vietnam has rejected the counter-proposals made by China last Thursday on normalisation of relations between the

two countries. The Laos development is of immediate significance, since Vientiane has long been complaining of a Chinese military build-up on its borders.

It has followed allegations of border clashes with a serious charge that Chinese troops have now occupied a large provincial The U.N. will almost certainly

not be able to respond to the Laotian appeal, since Peking has veto in the Security Council. There is now an uneasy lull, but at least Vietnam—and almost certainly China-is making open efforts for renewed

This announcement appears as a matter of record only



### SONATRACH -

U.S. \$ 57,750,000 Medium Term Project Related Loan for HASSI R'MEL~ARZEW PIPELINE PROJECT

BANQUE ALGERIENNE DE DEVELOPPEMENT

Managed by

FIRST CHICAGO LIMITED

ARAB PETROLEUM INVESTMENTS CORPORATION

THE SANWA BANK, LIMITED

CALIFORNIA FIRST BANK

ALLIED ARAB BANK LIMITED

ASSOCIATED JAPANESE BANK (INTERNATIONAL) LIMITED

INTERNATIONAL MEXICAN BANK LIMITED

UBAFARAB AMERICAN BANK

Provided by

ARAB PETROLEUM INVESTMENTS CORPORATION THE FIRST NATIONAL BANK OF CHICAGO

THE SANWA BANK, LIMITED ALLIED ARAB BANK LIMITED

CALIFORNIA FIRST BANK ASSOCIATED JAPANESE BANK (INTERNATIONAL) LIMITED

INTERNATIONAL MEXICAN BANK LIMITED UBAF ARAB AMERICAN BANK

AMERICAN SECURITY BANK INTERNATIONAL LIMITED



March 1979

BY METIN MUNIR IN ANKARA

A TOTAL curfew is to be open fire on curfew violators imposed in Istanbul, Turkey's and Gen. Urug ordered people argest city, on May Day, in a bid to prevent political violence.

This was announced yesterday, less than 24 hours after seven leaders of the Confederation of the Revolutionary Trade Unions of Turkey (DISK), were arrested for defying the Istanbul Martial Law Command's ban on May Day rallies.

Under the martial law curfew, people were ordered to stay off the streets from midnight yesterday to 5 am on Wednesday.

The moves indicate that the military are now following a tougher policy in their bid to establish law and order in Turkey, where political violence has become endemic, and a

martial law commander, said the curfew was "against the face trials by military tribunal possibility, however slim, and could theoretically remain that conditioned, irresponsible people who have blackened their minds and their hearts to the extent of revolting against State authority, may stage certain activities." Troops were under orders to

arriving Passengers

Istanbul's Yesilkoy during curfew hours will have to wait until arrangements are made to take them to their hotels. Ships will not disembark passengers until the curfew

chairman, Mr. Kemai Nebioglu, the deputy chairman, Mr. Fehmi Isiklar, the secretary-general, and four other DISK executives were taken into custody during a raid on the Confederation's Istanbul headquarters yesterday.

Sixteen Istanbul unions belonging to DISK were also raided and searched, and about 100 other union members taken threat to democracy. 100 other uni Gen. Necdet Urug. Istanbul's into custody.

If charged, the union leaders

"closer than 30 metres."

Mr. Abdullah Basturk, DISK's

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates \$25.00 per annum. Second class postage paid at New York, N.Y. and at additional mailing

GENEVA ART AUCTION SALE HOTEL INTERCONTINENTAL Curfew in Istanbul Tri Sunday, 13th May, 1979 at 20.00 hrs.

3rd International Sale of

**ISLAMIC CARPETS** ORIENTAL CARPETS EARLY TAPESTRIES

EXCEPTIONAL SET OF ISLAMIC WORKS OF ART HERAT carpets — beginning of XVIIIth century ISFAHAN carpets — end of XVIIIth — beginning of XVIIIth

SUPERB COLLECTION of XIXth century Silk carpets, including Indian Agra carpets — Indian Jaipur carpets, carpets from Asia Minor, Kum Kappu — Persian carpets, Kachan, Tabriz,

BEAUTIFUL COLLECTION OF TAPESTRIES from XVIth to XVIIIth century including a rare series of three Renaissance Hunting Scenes manufactured in Brussels.

11th May 16.00 to 22.00 hrs. 12th May 11.00 to 22.00 hrs. 13th May 11.00 to 17.00 hrs.

Through: Maître Jean CHRISTIN

3, Place des Eaux Vives - 1207 Geneva Tel. 36 22 55 in the presence of Maître Pierre CORNETTE DE SAINT-CYR 24, Ave. George V, 75008 Paris Tel. 359 15 97, 723 47 40, 723 47 42

All requests for catalogues of exhibits and:

All requests for catalogues of exhibits and:
The Consultancy:
Luxembourg: 65 av. de la Gare, GRAND DUCHE DU
LUXEMBOURG, Tel: (352) 48 79 48. Telex: 1386.
New York: 818 Madison Avenue, NEW YORK 10021
Tel: (212) 988 1710. Telex: N.Y. 426983
London: 144/146 New Bond Street. Tel: (01) 493 2689

Telex: 261547
Experts: M. Béchirian M. Chevalier.
Emer

This arrangement appears as a matter of record on

### INTERNATIONAL THOMPSON ORGANISATION LIMITED

has acquired

**CALLAGHAN & COMPANY** 

The undersigned assisted in this transaction



**EEC** sends

trade

protest

to U.S.

By Our Washington

THE OFFICE of the U.S.

Special Trade Representative

has received a complaint from

External Affairs, that U.S.

legislation implementing the

GATT agreement may not have a sufficiently stiff injury

test accompanying the counter

The dispute will be

smoothed over, a spokesman for the office said. "We have

great confidence that we will

The trade office was consult-

ing with Congress to ensure

speedy passage of the legis-lation. Now is the time for anyone who wants to intervene

to become involved, since the

legislation, once introduced, cannot be amended."

In a far-ranging discussion

of U.S. economic and trade

Ullman, chairman of the

House Ways and Means Com-

mittee, predicted that the Soviet Union and China would be voted most-

favoured-nation tariff status

tax, but only if income taxes

were first lowered. He said.

He supported a value added

The U.S. had become too

dependent on income tax, and

value added tax was the only

tax that could be rebated on exports under GATT rules.

On the eve of the visit of

Mr. Masayoski Ohira, Japan's

Prime Minister, to Washing-ton for talks today, Mr. Uliman pronounced Japan "our number-one trade prob-

He did not recommend sanctions, but added: "We can-

not tolerate these imbalances

in the future."

problems,

Soviet

this year.

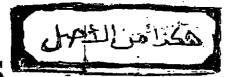
Congressman

have a meeting of minds."

vailing duties clause.

Commissioner

Wilhelm Haferkamp,



### Kuwait power contract goes to Deutsche Babcock

Kuwait Ministry of Electricity and Water will shortly sign a 73.6m Kuwaiti dinar (£129m) satisfactory price. Tenders for only company in the running. contract, under which the West German company will provide eight boilers for the £550m Doha West power station/ desalination project.

In making the contract award, the bidding for which had provoked a long period of political controversy, the Ministry also considered a closely competing hid from an American-Japanese joint venture involving the Riley Stoker and Mitsui Ship-building and Engineering.

The original tenders were for the manufacture of six boilers with two options, but this evolved into a comprehensive eight-boiler project.

Kuwait was a cousin of Mr. announcement on the boilers' Abdullah Al-Ghanim, then the award. Electricity and Water Minister. Government Cabinet position

delaying making a contract proposal by the Ministry. So resignation of a Minister," he award to give Deutsche that by the time the Council of said.

DEUTSCHE BABCOCK and the Babcock, said by observers to be Ministers awarded the boilers satisfactory price. Tenders for only company in the running. the original bids closed in Mr. Al-Ghanim, in his letter the original bids closed in August of last year.

technical committee is understood to have recommended that the boilers contract be Committee and the Council of awarded to Deutsche Babcock Ministers in him to such an and a contract for turbines to a joint venture of Mitsubishi his job effectively. Electric and Mitsubishi Heavy Industries.

negotiate for partial payment of the turbine equipment with Kuwaiti LPG. This delayed This delayed matters until January 3 when allegations by the local news- stage Mr. Al-Ghanim's Ministry paper, Al-Rai Al-Aam that the Ministry was being less than Central Tenders Committee. impartial on behalf of Deutsche The Mitsubishi consortium was then awarded the turbines'

out when no award was made, that he had said the Minister last month in the midst of the controversy.

The newspaper alleged that the Ministry was deliberately the Ministry was deliberately apparent rejection of its earlier Press attacks that lead to the

of resignation, said he did so In November the Ministry's because newspaper attacks had weakened the confidence of the Government's Central Tenders

Committee and the Council of

extent he could no longer do The newspaper's criticisms caused the Central Tenders But the awarding of the Committee to appoint a special contracts was apparently committee to undertake a delayed because the Council of review of the matter. The Ministers had directed Mr. special committee backed the Al-Ghanim's Ministers to original recommendations of the Ministry, and as a result the award went to Deutsche Bab-

cock.

Many observers now feel that A controversy surrounding the LPG suggestion was rejected the decision seems to exonerate the contract bidding centred on as not being feasible. At this Mr. Al-Ghanim, and Mr. Abdul Aziz Hussein, the Minister of State, said he wished to clarify published reports which suggested that the Kuwaiti Government had condoned the attacks The company's agent in contract but there was still no against the former minister. Mr. Hussein also denied newspaper reports that he had said that Riley/Mitsui extended its bid an official statement would be Mr. Al-Ghanim resigned his until late-January, but dropped made on the resignation and

### £250m Brazil aircraft deals

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

planning purchases of U.S. and 1980, and June, 1982. European airliners worth \$500m

(about £250m). Varig, the country's flag airline, will buy six U.S. McDonnell the Brazilian Air Force Douglas DC-10 Series 30 jets, Ministry, responsible also for worth \$322m, for use on its civil aviation, as required under routes between Brazil and the Brazilian law. U.S. and Europe. Delivery will

The Varig-owned Cruzeiro do rather than move to expensive Sul, which flies international new equipment. routes within South America, will buy four European A-300 Airbuses, worth about \$178m, including spares and ground equipment,

Japan's motor exports rise

TOKYO ... Japan's exports of assembled vehicles in March rose 14.9 per cent to 392,166 from 341,293 in February but in March last year, the Japan Automobile Manufacturers Association reported. Exports of vehicles in kit form for assembly abroad in the same month

were 34,452, up from 28,324

The March figure brought cumulative total exports in fiscal 1978 to 4,136,021, down 5.5 per cent from a record 4,377,768 in fiscal 1977. Of the fiscal 1978 total, export

shipments of assembled vehicles to the U.S., Japan's largest customer, fell 1.9 per cent to 1,834,357.

privately owned, the contracts tion on the DC-8s by 20 per

Meanwhile the U.S. airline, be between July, 1980, and July; Flying Tiger Line, has decided to re-engine its existing aircraft.

Flying Tiger, an all-cargo operator, is to spend \$100m (about £50m) on putting the new Franco-American (Snerma-General Electric) CFM-56 Electric) engine into its seven McDonnell Douglas DC-8 jets.

TWO BRAZILIAN airlines are delivery planned between June, engines and the modifications to the aircraft. The new Although the airlines are engines will cut fuel consumpwere authorised last week by cent, as well as meet the U.S. Government's stringent noise regulations.

The Flying Tiger decision follows the recent decision by United Air Lines of the U.S. to spend \$400m (£200m) on putting the CFM-56 engine into 30 of its DC-8 airliners. Other airlines in the U.S. are considering the same move.

The work will be done by Mc-Donnell Douglas, builder of the DC-8, under contract from Cammacorp, the U.S. company which has the re-engining contract from CFM International, which DC-8 jets. from CFM International contract covers 45 builds the CFM-56.

SHIPPING REPORT

Gulf active

THE ACTIVE chartering market for tankers in the Gulf was countered last week

by a decline in freight rates trades from West Africa

Atlantic trade and the slow

movement of rates in the Far

for discharge in the west. There was less demand, how-

ever, for ultra large crude

A Japanese charterer paid Worldscale 461 for a 220,000-

dwt vessel taking a cargo of

crude oil to Japan on slow

But owners of tankers in the range 120,000 tonnes to

150.000 dwt have had to

accept an easing of rates from Middle East terminals. A

charterer from the Continent obtained a 150,000-ton vessel

for loading in early May at

the reduced figure of World-

Brokers in London expected

the tanker market in spot trading to remain quiet this

week, as the May Day holiday

E. A. Gibson Shiphrokers

forecast last week that some

sizes of oil tanker may come

into balance with demand

much earlier than had earlier

been expected. The increas-

ing age of some categories of

vessels is likely to be one of

the main factors determining a return to market stability.

On the sale and purchase

markets last week there was

further trading and activity

in the VLCC class. The Kollbjorg, built in 1973 at 229.600 dwt. was sold to Phillips

Petroleum for almost £7m.

scale 471.

approached-

Very large crude carriers operating out of the Gulf reached Worldscale 40 to 43

and the Mediterranean. In the dry cargo sector there was a similar difference between the prosperous

in mixed

market By Lynton McLain

#### World Economic Indicator UNEMPLOYMENT

	:	April 79	March 79	Feb. '79	April 78
UK	000s	1,310.9	1,350.4	1,362.6	1,337.1
UK	. %	5.5	5.7	5 <i>.</i> 7	5.8
· ·	000s	208.2	209.75	211.1	<b>200.</b> 5
Holland ·		5.0	5.1	5.2	5.0
	%		Feb. 779	Jan. 79	L'a
		March 79	5,881.0	5.883.0	6,140.0
U.S	000s	5,871.0		5.S	6.2
	%	5.7	5.7		7,224.5
W. Germany	060s	957 <i>.</i> 7	1,134.0	1,171.4	5.4
W. Germany	%	42	5.0	5.1	
	000s	1.341.9	1;313.0	1,356.7	1,027,3
France		5.8	5.7	2'6	4.9
	.%	301.0	303.1	300.9	284.1
Belgium -	000s	7.5	7.6	7.5	7.1
	%		jani. 179	Dec 78	Feb. 73
	-	Feb. 779	1,270.0	1,160.0	1.360.0
Japan-	000s	1,210.0		7,100.3	2.1
Taban.	%	2.2	2.7	July 78	tan. 73
	,-	Jan.: '79	Oct. 78	July 20	1,570 0
	000s	1,632.0	1,651.0	1,648.0	8.0
ltaly -	%	8.1	7.5	7.5	0.0
:	70				

### COMPANY NOTICES

### NESTLÉ S.A.

Cham and Vevey (Switzerland)

THE 112TH ORDINARY GENERAL MEETING OF SHAREHOLDERS is to be held at 3.00 p.m. on Thursday, 17th May 1979, at the " Palais de Beaulieu " LAUSANNE (SWITZERLAND).

### AGENDA

- 1. Approval of the Accounts for 1978 and of the Annual Report.
- 2. Release from responsibility of the Board of Directors and of 3. Decision regarding the appropriation of the net profit.

4. Elections in accordance with the Articles of Association.

The owners of bearer shares may obtain their cards giving

admission to the general meeting (with a proxy) at the Company's Transfer Office in Cham up to Monday 14th May 1979 at noon, at the latest. The cards will be delivered against the statement of a bank that the shares are deposited or upon deposit of the shares in the offices of the Company where they will remain blocked until the day after the general meeting.

The report Nestle 1978 with the annual report of Nestle SA (comprising the Balance Sheet and the Profit and Loss Account with comments, the Auditors' Report and the proposals for the appropriation of profits) is available as from 4th May, 1979, to the holders of bearer shares at the Registered Offices at Cham and Vevey, and at the Offices of the Paying Agents of the Company.

The holders of registered shares whose names are entered in the Share Register will, within the next few days, receive at their last address communicated to the Company, an envelope containing the Notice for the General Meeting, together with a form comprising an application for obtaining a card giving admission to such meeting as well as a proxy. On the other hand, the aforesaid report will be dispatched a few days later.

The shareholders are requested to address any correspondence concerning the General Meeting to the Transfer Office of the Company at Cham (Switzerland). The Board of Directors.

Cham and Vevey,

30th April, 1979.

LIMITED

### Mexico's GATT dilemma

'BY WILLIAM CHISLETT IN MEXICO CITY

should join GATT with parts of the private sector and the left united in their opposition to membership—though for different reasons.

A delegation from the Mexican Commerce Ministry was in Geneva last week for another round of talks over the country's possible membership and is understood to have made substantial progress. The two main elements of the negotiations concern a protocol of accession and separate bilateral deals with other GATT members to offer them concessions in line with the most favoured nation treatment stipulated by

GATT. No major problems are foreseen in the accession negotiations, and it is expected in Geneva that Mexico would join GATT concurrently with the end of the Tokyo Round negotiations, if it can overcome opposi-

tion at home. The near-affore in General Which ended on Thireday, are erted to vorume ofter the TINCTAN in Manila next month. in the Tokyo round are experted to be completed by the end of June, setting an informal deadline to the bilateral aspects of Mexico's accession negotia-

Mexico is expected to make its decision by September. It has long put off the decision to join on the grounds that the country is not yet sufficiently developed to enable it to withstand wide sweeping liberalisation of its protectionist policies. Other developing countries are members but Mexico has always insisted that the disadvantages

orryeigh the edvantages. Many industrialists believe that GATT membership would for industrialisation. my Pierican industry on a very rnequal footing with industries developed countries. The National College of Economists countries. has stated that entry would lead to the closure of many started to open up the market

emerging over whether Mexico panies. Large companies could should join GATT with parts of probably survive the initial period by cutting their profit margins

As one Opposition leader told the Financial Times, the left feels that joining GATT would be "opening the door to multi-nationals and bowing to U.S. pressure to join."

Both sides agree that membership will increase the already

Government believes GATT membership would provide the stimulus industry needs to make it more competitive and effici-But the Opposition feels it would simply open the door to the multinationals.

drastically high level of unemployment which with underemployment is estimated at over 40 per cent. Both sides also Mexico's main that exports - oil, exports — oil, coffee and tomatoes—stand to gain nothing

from GATT. Between 1935 and 1965 the Mexican economy, bolstered by political stability, grew at an annual rate of 6 per cent. During the "Mexican Miracle" the domestic market was highly protected in order to encourage import substitution enterprises, industrialisation and private

sector investment. But now that the country is moving into a phase of rapid expansion due to the increasing flow of oil revenue into the the Government economy, believes that the time has come to pursue the subject of GATT membership more intensely, and to open Mexico's doors more widely to the world.

The base is now boing of infrastructure in Mexico is already higher than in some other developing GATT member

The Government has already

A HEATED public debate is small and medium-sized com- by withdrawing about 4,000 items from the import license list of 7,200 items. Even so the import tariff on these items remains high while the remaining 3,200 represent a large proportion of Mexico's main

imports. The Government has not committed itself over joining GATT, but it is understood that. the president, Sr. Jose Lopez Portillo, is in favour because he believes that GATT membership represents the stimulus which the cossetted local industry needs to make it more competitive and efficient. Joining GATT is also part and parcel of the Government's determination Government's

that Mexico should not just be an oil exporting country. The recently announced National Industrial Development Plan envisages using the oil wealth to greatly expand industry and reduce the economy's dependence on oil revenue to 14 per cent of total exchange earnings by 1990 from an estimated 32 per cent in 1982. Supporters believe that GATT membership would act as an impetus to fulfil this goal. Sr. Hector Hernandez, the commerce under secretary has said that the President would decide on GATT membership and no one else." He has also made it clear that in the event

of joining Mexican protectionism would be dismantled very gradually. However, such is the opposition to GATT that the Government is bound to take the country's pulse over the issue before announcing its decision. · The U.S. meanwhile has been keeping a deliberately low ornfile hecause it is aware that

פרוופן היידו לו מולי מון The lonestanding U.S. trade surolus with Mexico is fast decreasing in Mexico's favour, herques of its oil apports and after 1980 the U.S. could well

Merico is extremely sensitive

co-operation with France

By Terry Dodsworth in Paris

THE THREE-DAY Mexican trade mission to France has ended with the development of further links between the two countries in the energy field.

A statement issued in Paris said that the French oil indus-PEMEX, nationalised Mexican oil concern, are to collaborate on a research project to develop materials which will allow a reduction in the lead content in

petrol. At the same time, the head of the French Atomic Energy Commission is to visit Mexico to investigate progress on the deal to supply the country with French nuclear technology. The French are also taking

seriously the recent suggestion by Mr. Lopez Portillo, the Mexican President, that rules for energy use and development should be developed on a world scale. France's need to import a large part of its energy. requirements gives it a natural bias towards policies which would create stability in energy markets.

A joint committee to study the creation of new companies in Mexico was esablished. This is to examine initially four main areas of development—the electrification of the railway network, the manufacture of electric locomotives, the construction of a soda carbonate factory, and investments in the

copper industry.

• Le Materiel Telephonique

(1,200), a unit of Thomson CSF. sa'd it has been awarded a FF1 700m contract to supply various telecommunications equipment to Turkey. It involves the installation of 25.000 telephone circuits at Istanbul, and the creation of a joint unit with the Turkish Telecommunications Turkish have a trade deficit with Authority, to manufacture elec-tronic switch gear with an Mexico. GATT membership would soften this blow for the annual capacity of 200,060 cir-Authority, to manufacture eleccuits over a period of 10 years.

# There is an alternative to Commendation of the Country of the C

Every working day, 400,000 people travel in and out of London by British Rail.

But there is an alternative. Like Los Angeles, we could rely entirely on roads instead.

Of course, some roads would have to be widened to take the extra traffic. Not only that, but we'd need to build an estimated 120 additional lanes of highway. Even then, there would still be the problem of

what to do with all the cars as they converged on Central London.

Looking at it that was it makes a lot of sense to invest in our



Windscale leak

four-month delay

report reveals

### Surplus of fasteners may close factories

number of factories to close. Mr. C. P. Richards, chairman

washers, and rivets is now so ducers' prices.

great that structural changes in Once GKN withdraws from great that structural changes in

for thousands of tonnes of EEC and then being transported around Europe is hard to justify apart from its benefit to the transport industry.

Mr. Richards believes that UK companies must expect market activity in fasteners to worsen in the forseeable future. He also sugests that some sectors of the industry may need to consider what action to take in view of the poor outlook. running-down of two GKN ciation. fastener works in the Midlands GKN says cheap imports have ment,

Jubilee Appeal to over 2,000 pro-

jects involving young people in

voluntary community service in

The projects which so far have

received cash range from £3,725

given to a London group to establish a community radio

service using a spare Rediffusion

channel, to a Lancashire scheme

to teach dog-grooming to young

volunteers so they can provide

a free service for pensioners

pets. The scheme received £200.

Interest rate up

the year since the appeal closed.

Silver Jubilee Appeal

With £13.63m left, the Queen's Silver Jubilee Trust is encouraging people under 25 to apply for a grant to "start or develop schemes which help there"

INTEREST rates for Inland economic bulletin.

projects receive £2.83m

A TOTAL OF £2.83m has been Revenue tax deposit certificates

given from the Queen's Silver accepted under the terms of the

12} per cent.

PRODUCTION of too many forced it to close the two fac- the Government to consider industrial fasteners in Western tories at Smethwick and Darlas, sufficient protection for the Europe is expected to force a ton with a loss of about 250 British industry to ensure it

The Association of Stainless British Industrial Fastener Distributors says that Fasteners Federation, warns in foreign products can be shipped his annual report that the sur- into Britain at prices as much as plus of nuts, bolts, screws, 20 per cent below home pro-

the European industry are in-part of the UK market, only cvitable. Inree smaller makers of stain- Fasteners Institute formed He says the economic case less steel fasteners will be left. recently is intended to speak or thousands of tonnes of Overcanacity in Francisco. Over-capacity in European identical fasteners originating fasteners production is linked fastener trade organisations. It in many different places in the with poor demand for fasteners from the manufacturing indus- Common Market Ministers and try and general engineering.
The British Industrial Fasteners Federation has asked further deterioration.

### Disabled seek more jobs

Production of fasteners in at the annual conference in also sought a levy on defaulting Britain has been reduced during Birmingham of the British employers.

In the annual conference in also sought a levy on defaulting Birmingham of the British employers.

Mr. Charles Dunham, general

The delegates were concerned with a view to eventual closure. at the failure of the Govern- be

prospectus of August 29, 1978.

go up today from 11; per cent to

CONSULTATIONS between the

Department of Industry and the

National Enterprise Board will

take place this week over the

draft directive from Mr. Eric

Varley, Industry Secretary, instructing the NEB to take

over Prestcold from its parent

THE North Sea sector of the

economy may continue to be

in deficit for the foreseeable

future, Mr. Christopher John-

son, economic adviser to Lloyds

Bank, says in the bank's

North Sea deficit

GOVERNMENT action on rising and local authorities to fulfil unemployment among disabled their obligations within the ex-Servicemen was demanded at terms of the Disabled Persons the weekend by 200 delegates (Employment) Act 1944. They

keeps between 85 per cent and

The federation's eight-point

90 per cent of the home market.

action plan calls for controls

on cheap fastener imports, and

protection against European

manufacturers who obtain steel

in future for all European

will be putting pressure on

officials in the roming months to save the industry from

Industrial

materials at unfair prices.

European

secretary of the association, said: "The disabled should not treated as second-class

Belvoir coal

plan criticised

by consultant

By John Lloyd \*

GROUPS

A REPORT on a serious leak to Mr. Benn on Saturday, of radioactive material at the traced the leak to a borehole Windscale nuclear plant has number 63 of some 200shown that four months passed which was used to monitor between the taking of a sample radioactivity. The higher levels showing high radioactivity, in of radioactivity which were an unused part of the plant, recorded in November, 1978, and the proper analysis and were at first thought to be due to the retention of elements assessment of the sample leadfrom a spillage which had occurred 25 years ago. Mr. Anthony Wedgwood Benn, the Energy Secretary, for

·· When full laboratory analyses of the isotopic contents of the sample became available, was recognised that the activity must have come from liquor arising from fuel which had been removed from a reactor within the last three years.'

These results "were assessed by senior management on March 15 and an immediate investigation was started." appears that the cause of the leak was a smali amount of radioactive liquor diverting itself from its main route through a now unused dis-

The report concludes that the said that "if at any time the contamination should be nuclear inspectorate advise me allowed to remain where it is, that it is necessary. I shall issue with provisions made to control its flow in the groundwater Sir John's report, presented if necessary.

### Working capital rule for insurance brokers

brokers contained in an Order\*

Under the Insurance Brokers

(Registration) Act 1977, anyone

wishing to trade as an insur-

ance broker and use the title

has to register. Registration will

This latest order sets out the

I capital, the excess of assets over

published at the weekend.

ing to an investigation.

cause

concern."

whom the report was prepared,

who has called for a public inquiry.
Speaking to Acton, West
London, Labour Party on

Saturday night, he said that the

Windscale leaks must be a cause of "considerable

However, the report, written

by Sir John Hill, chairman of

the Atomic Energy Authority, stressed that "there is no

evidence to suggest any present

or likely future hazard to the

workforce or the public."

Mr. Benn had asked the

Nuclear Installations Inspecio-rate whether Windscale should

have been closed, but had been

advised against doing so. He

orders to the effect at once."

OPPOSING National Coal Board's plans to develop a 7m tonnes a year official recognition and the mining complex in the Vale of right to trade under the title a Belvoir, on the Leicestershireof insurance broker. This is Nottinghamshire border, have one of the main provisions for a claimed that a consultant's report will say that the NCB's methods are "highly suspect." requirements for registered

The groups—the Vale of Belvoir Protection group and the Vale of Belvoir Parish Councils Committee-have retained consultants to help elaborate a case against the NCB. The preliminary inquiry starts OR May 8. be granted only if certain requirements regarding experi-

"Our consultants have identified 18 primary and 30 ence, integrity and financial secondary issues which we solvency are fulfilled. believe the inquiry will have to examine very thoroughly," the requirements as to working groups said yesterday.

INSURANCE BROKERS will liabilities and the preparation the need to have a permanent and submission of accounts and margin of at least £1,000 in the keeping of accounting their working capital to retain records. .

special insurance broking account, colloquially known as client account, with an the accounts and business approved bank and with investment held only in approved short-term assets. Effectively this account is for the holding of money paid by a client to meet insurance premiums and the intention is to keep it separate from other money used

in the broker's business. The approved banks cover the clearing banks, Trustee Savings Bank and National Girobank, while the approved assets cover secure liquid forms investment.

special circumstances. The order also sets out the form of the preparation of the accounts to be submitted.

The Insurance Brokers Regi-

ensure that job movers could be sure of transferring their pension rights from employer Brokers will also bave to keep to employer, he said, but it was "dangerous nonsense" to believe that all that was needed. was legislation on transferability. Discussion of such legislation distracts attention from the real nub of the problem which:

lies in maintaining the value of the preserved pension that has been earned to date." How ever, "improvements in benefits for people who leave schemes terore retirement age have a price tag attached to them."

penalty'

warning

THE FUTURE of the occupa-

tional pension movement could

depend on the solutions it finds

to the problem of preserving the

pensions of workers who move jobs before retirement age, Sir Alec Atkinson, the Second Permanent Secretary of the De-

partment of Health and Social Security, has warned.

stayed in one job all their lives," he told the annual con-

ference of the National Associa-

tion of Pension Funds in Edin-

burgh. The pension funds had

to find a solution to the dual

problems of preservation and

The introduction of the micro-

processor would increase the

level of mobility in industry.

and it was unrealistic simply to

suggest that workers take into

account their reduced pension

prospects when they negotiate

would be in no position to nego-

The topic of preserving pension values was returned to

on several occasions during the

conference. Mr Michael Pilch, the incoming association chairman, agreed that it would be

one of the major issues during.

More work was needed to

his term of office.

'Nonsense'

tiate strong new pensions.

transferability of pensions.

"A dangerous disillusionment

By Christine Moir

Pressure for improvements this area should come from t workers, trade unions and This account has to be in employers. But all these groups funds at all times. No advance were more concerned with can be given on it, except under current benefits and the employers. But all these groups problems of those who had ieft had only a low priority. Mr. Robert McDonald, presi-

### UN plan 'threat Job-change pensions to British fleet'

TWO-THIRDS of the UK's bulk Britain as a means of sharing carrier fleet could be put out cargo on regular liner shipping of business by United Nations, routes. This calls for cargo proposals to boost the third sharing on the basis that 40 per world's shipping industry - cent of trade between two Journal.

Britain's fleet of supertankers

The report studies the likely effects of proposals to be put before the fifth session of the could set in which people who have changed their jobs during United Nations Conference on their working life see how much Trade and Development to be lower their retirement pensions held in Manila in May. are than those of workers who The UNCTAD secretariat calls

for "equitable participation" by the developing nations in the transport by sea of oil and lead to a "massive upheaval" in the structure of the world's maritime industries, the journal

The report's findings are based on returns from Lloyd's Register of Shipping and Lloyd's cial and financial power to bring of London and involved the about change, the report says. last year.

a new job. As much as 50 per cent of all job moves might be the UN proposals will be simi-mented by all parties. Petrol lar to the secretariat's liner would rise by 1p a gallon and code which has already been grain, ore and coal would also proposed and was criticised by rise. involuntary, and the movers

according to a report in today's countries is carried by each of Lloyd's Shipping Economist the participants and balance by third countries. Greece would lose 90 could also be hit—and cut to cent of its tanker fleet if the half its present size—the report proposals for cargo sharing proposals for cargo sharing are applied to total trading

between nations.

France, with a much smaller merchant fleet, would lose 15 per cent of its tanker fleet, but its bulk carrier fleet would not

But the report also says that the developing nations may have problems in building up their bulk fleets to share in other bulk cargoes. This would trading as suggested by the lead to a "massive upheaval" secretariat. Finance would be the biggest problem.

One group, however, the Organisation of Petroleum Exporting Countries, would have the necessary political, commertracking of all the ships of the . Consumers in the west would five leading shipping nations have to pay more for goods if the secretariat's proposals are The analysis assumes that accepted in full and imple-

### J. C. Bamford plans U.S. plant move

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

J. C. BAMFORD is planning to to do. The privately-owned assemble excavators in the U.S. company has not revealed how following its entry into that market three years ago.
Although a site has not yet been selected, the southern states are emerging as the most attractive location, and the company hopes it will be assembling within two or three

The decision to consolidate its U.S. commitment means JCB is not any longer interested in Aveling Barford, the construction equipment group which BL has put up for sale.

JCB has faced considerable difficulties in penetrating the Amarican market. In its first year 1976—it sold only 50 machines. Since then, the company has built up a distributor network in roughly balf the country and last year they took 1,000 machines.

dent of the Federation of market for construction equip- becoming its deputy chief Press Actuaries, also warned that ment JCB decided, therefore, officer. He moved from there in stration Concil (Accounts and transferability and preservation that it was essential to break Business Requirements) Rules | —or the lack of them—could into this marke at some stage, Approval Order 1979 (SI 1979) | become convenient government and this is something that its whipping boys. Something that its whipping boys.

much it has lost in setting up in the U.S., but Mr. Anthony Bamford, chairman, says that the venture is now profitable. It has now appointed 63 U.S. dealers and has service and parts operations in Baltimore and Dallas.

### **OBITUARY**

#### Derek Redwood MR. DEREK REDWOOD, chief

Press officer at the British Steel Corporation from 1974 to 1978, died at the weekend after a short filmess. He was 45. After a period in news agency

and magazine journalism, Mr. Redwood joined the Press office The U.S. is by far the biggest of the Gas Council in 1960. later

### **Metro-Cammell**

congratulates

### London Transport

on the opening of the

### Jubilee Line

and offers best wishes for any future extensions

### **Metro-Cammell Ltd** Birmingham, England

World's foremost suppliers of Metro, Rapid Transit and Urban trains and Systems

### One man's feud with the State

over the National Enterprise Board's £8m computer peri-pherals deal with the Control Data Corporation (CDC) of the U.S., lies a long-running feud. involving a 65-year-old indi-vidualistic entrepreneur who dislikes the idea of State inter-

vention in industry.

He is Mr Stanley Grundy, who nearly 40 years ago founded what is now a family-owned Teddington-based group of a dozen engineering com-panies with over 2,000 employees and a £35m a year

turnover.
One of the companies he started is Data Recording Instrument (DRI) which became a National Enterprise Board subsidiary in 1976 and is now to be the UK partner in the £8m computer peripherals deal. Grundy (Teddington) still holds 13 per cent of the equity and is taking High Court action to try to stop the deal going ahead. As a resul, the exchange of con-tracts between DRI and CDC has been delayed, pending a resumed hearing today.

**Arguments** 

The arguments in court turn essentially on the rights of Grundy as a minority shareholder. But the case is important for other reasons, both because it has blown up during the general election campaign, and because of the future of independent computer equipment companies of Europe.

A Conservative victory at Thursday's general election could cast some doubt over the future of the deal, although it is now at an advanced stage of finalisation. Clearly a Conservative Industry Secretary would come under some pressure to intervene in a row where the businessman who founded a company is now objecting to the way it is being run by a State holding company which the Conservatives are pledged

Since Mr. Grundy makes no secret of his fervent political views and is president of the Twickenham Conservative Association, there can be little doubt that today's court hearing is unlikely to end the row.

Politics apart, the proposed deal is significant because of

the double challenge of U.S. corporate strength and spectacular advances in technology being faced by European com**NEWS ANALYSIS — THE NEB'S** HIGH COURT **ELECTRONICS BATTLE** 

BY JOHN ELLICTT AND MAX WILKINSON

steadily and its products have a largest and CDC is the second high reputation for quality and

In 1976-77 it made a profit of £315,000 but ran into a £385,000 loss in 1977-78. If it continued in its present form it could probably increase sales and establish a profit in the current year.
So why does the NEB think

it necessary to spend a further £8m setting up a joint venture in which CDC's contribution will be mainly know-how rather than One answer is simply to look

t the size of the two companies. ast year, DRI's sales were about £23m, of which probably to match the Americans, about £17m represented disc CDC will provide the

By contrast, Control Data's computer revenues in 1977 are estimated to have been \$1.5bn (£750m) or more than 30 times the total revenue of DRL

CDC's sales of peripheral quipment probably amounted to about \$500m, so that even in the sector of the industry in which DRI specialises, CDC is 10 times larger.

This difference in size would not matter so much in a more stable technological environ- CDC means that a British comment. But in the computer. industry, and particularly in magnetic storage devices, all companies have to run very fastjust to keep in the same place. About seven years ago, for

example, a large 14-inch magnetic disc was capable of storing about 6m computer words bytes, and storage of 100m bytes

per disc is technically possible. Companies like DRI can hope to survive only if their research and development can more extremely fast to enable them to keep up with developments in their own technology and at the same time fight off the threat

sales have been increasing \$1bn, of which IBM is far the

in disc drive production. A large number of high technology smaller companies follow along in the slip-stream of the industry leaders, and a highly competitive micro-electronics industry waits in the background

It is clear, therefore, that DRI does not have the resources of money or engineering manpower to keep its products competitive. It also needs to increase its volume of production to very much more than the present 7,000 to 8,000 units a year if it is to keep its prices low enough

CDC will provide the extra production volume by transferring some of its own products to the joint venture company which will manufacture equipment for CDC to sell under its own name in Europe. It will also contribute the expertise to allow DRI to develop a successor to its present leading disc drive, the Series 4000, which it manufactures under licence from Diabolo of the U.S.

From the Grundy point of view. however, the tie up with pany, which could make its way in the world on its own, is being traded with the Americans in such a way that its future may be jeopardised.

But it is the more personal views of Mr. Stanley Grundy and the history of the NEB involvement in DRI that compli-(bytes) of information. Today cates the issue, Mr. Grundy hasit is possible to buy discs the never been happy since DRI was same size which will store 50m taken over by the NEB, even though he realised at the time that it was the best solution for the company's liquidity prob-

> At that time, he was not willing or able to pump cash into DRI from his main holding company, Grundy (Teddington), which has no outside share-

Ebbw Vale jointly with the British Steel Corporation.)

Mr. Grundy's first contact with the NEB followed an application be made in 1973 to the then Conservative run Department of Trade and Industry for money to boost financial help he was already receiving from the National Research Development Corporation.

The company's liquidity prob

lems were worsened by the three-day week in the winter of 1973-74, and it needed help urgently. Talks continued while Labour won the February, 1974, election and set up the NEB. Then industry Department civil servants sent Mr. Grundy to their new-born State holding company and DRI became the NEB's first acquisition.

Boardroom skirmishes, most recently about the NFB's representation on the DRI Board, have continued for the past three years and have crystalised over the CDC link-up. They have involved the National Rescarch Development Corporation, which has one seat on the Board, and which has itself had considerable reservations about the details of the CDC deal. But it eventually has agreed to back the tie-up on the condition that, once the deal is finalised, its 24 per cent stake in DRI is bought by the NEB.

### Offered -

The NEB also offered 15 months ago to buy out the 13 per cent Grundy stake but Mr. Grundy apparently preferred to remain involved, partly in the hope that the value of his shareholding might improve-Now he sees the prospect of it being diluted by the CDC deal and is highly critical of the NEB for the way it has monitored DRFs affairs and for

the management it has injected. By coincidence, therefore, the row over the CDC deal has brought the tortured relationship between the NEB and a self-made, paternalising entre-preneur into the open during the general election campaign.

On the one hand there is the NEB trying to do its jeb of helping an important high technology company with 1 200 employees survive and grow into the 1980s. On the other there is Mr. Grundy who believes in private, puter equipment companies.

DRI is the largest independent manufacturer of disc include seven major companies memory units in Europe. Its with revenues of more than public sector—a stainless steel old companies. holders. (All investment is not State, enterprise and who funded from the Grundy group's dislikes the way that Britain's

### Draft calls for mandatory guidelines

THE TEXT of the proposed standard accounting practice is rather brief in comparison to previous documents: It states: This accounting standard applies to the annual financial statements of the following

A-All companies (other than. those in paragraph B (iii) below) having a listing on The Stock Exchange for any class of share or loan capital.

B-All other entities where the annual financial statements are intended to give a true and fair view of the financial position and profit or loss except for the following:

(i) Entities (or a group of entities) with a turnover of less than £5,000,000 per

(ii) Wholly-owned subsidiaries of companies registered in the UK or Republic of Ireland. This exemption does not apply where the parent company is exempted under (iii) below. Where this is the case the group accounts of the holding company should include current cost information in respect of such subsidiaries (not themselves exempted under (iii)) if their combined turnover exceeds £5,000,000 per annum.

(iii) The following types of

(a) Insurers; (b) Property investment and dealing with the exception of such com-

panies which hold the redious fo seitregora entity within the group to which this standard does apply; and (c) Investment and unit

trusts: (iv) Entities whose long term financial objective is other than to achieve an operating profit; examples of such entities are charities, building societies, friendly societies, trade unions and pension funds.

Calculating

Annual financial statements of companies coming within the scope of the standard should include, in addition to historical cost accounts, current cost accounts prepared in accordance with the procedure set out in paragraphs 33-40. The current cost accounts should contain a profit and loss account and balance sheet, together with explanatory notes, disclosing the information set out in para-

When calculating the current cost operating profit and the current cost profit attributable to shareholders, the following procedures should be adopted. The current cost operating profit should be derived by mak-

ing the following main adjustprofit (before interest) to provide for the impact of price changes on the net operating assets\* of the business. (a) A depreciation adjust-

ment, to allow for the difference between the value to the business\* of the fixed assets consumed in the period and the depreciation charged in the historical cost accounts.

(b) A cost of sales adjustment, to allow for the difference

Committee believes there is an

urgent need for an accounting

standard. It proposes that the

standard should be effective for

accounting periods beginning on or after January 1, 1980, although this date would be

kept under review in the light

Interested parties are urged to submit their comments as soon as possible—at the latest by October 31. In particular.

views will be velcomed on the

monetary working capital requirement, the turnover limit

of the comments received.

inflation accounting, issued today by the Accounting Committee in Standards Exposure Draft 24, originate from the "Hyde" guidelines published 18 months ago.

The draft proposes that, with the certain exceptions such as insurance and property investment companies, the standard should be mandatory for all listed

between the value to the business\* of the stock consumed in the period and the cost of stock charged in the historical cost

monetary working capital adjustment, to allow for the effect of price changes on the monetary working capital' needed to support the operating capability. Each of these adjustments

may be positive or negative. Where a proportion of the assets of the business is financed by net borrowing, a gearing adjustment is required in arriving at the current cost profit attributable to share-holders. This should be calculated by:

(a) Determining the proportion of the net operating assets which has been financed by net borrowing: and

(b) Multiplying the total of the charges or credits made to allow for the impact of price changes on the net operating assets of the business by the proportion determined at (a).

#### **Principles**

The treatment within the car-rent cost profit and loss account of gains and losses on asset disposals, extraordinary and exceptional items, prior year items, income from associates, group consolidation adjustments and the translation of foreign currencies, should where practicable, be consistent with the principles of CCA as explained in Part 1—Explanatory Note. Where this is impracticable the treatment adopted should be disclosed in a note to the current cost accounts.

The taxation charge in the current cost accounts should be based on the principles set but in SSAP15 Accounting for Deferred Taxation.

Assets and liabilities should be included in the balance sheet as far as practicable, on the following bases:

(a) Land and buildings, plant

and machinery and stocks subject to a cost of sales adjustment-at their value to the (b) Investments in associated

companies either at the applicable proportion of the associated company's net assets ments to historical cost trading stated under this standard and allowing for goodwill paid on acquisition computed in accordance with CCA principles or, where such information is not

readily available, at directors' best estimate thereof. (c) Other investments (ex-cluding those treated as current assets)-at directors' valuation. Where the investment is listed and the directors' valuation is materially different from midmarket value, the basis of valua-

companies and for other entities with an annual turnover of £5m or more.

By contrast, present Hyde guidelines are voluntary. In line with Hyde, however, the new draft states that annual company accounts should retain historical cost information, and the current cost accounts should be a

supplement. The main technical differences between ED24 and

tion and the reasons for the difference should be stated. (d) Intangible assets (excluding goodwill arising on consoli-

dation) -either at their current replacement cost or, if this is impracticable, on the basis adopted in the historical cost (e) Goodwill arising on con-solidation—this should be re-duced from the amount shown

in the historical cost accounts to the extent that it represents revaluation surpluses existing at the date of acquisition.

(f) Current assets, other than those subject to a cost of sales adjustment-at the amounts shown in the historical cost (g) All liabilities—at the amounts shown in the historical

cost accounts. A reserve, called the capital maintenance reserve, should be included in the current cost balance sheet to reflect:

(a) Revaluation surpluses (or deficits) arising from: (i) Price changes in respect of fixed assets; and (ii) Price changes in respect of stock, and investments other than those included as current assets; to the extent that they are not already included in the historical cost accounts.

(b) The monetary working capital adjustment; and (c) The gearing adjustment. Amounts to reduce assets from current replacement cost

to recoverable amount should be charged to the profit and loss A debit balance on the capital maintenance reserve should be

shown as a deduction from the total of capital and reserves and not charged to the profit and

The current cost profit and loss account should show: (a) The current cost operating profit or loss;

(b) The gearing adjustment and interest/income relating to the net borrowing on which the adjustment has been based; (c) Share of current cost profits or losses of associated

(d) Current cost profit or loss before taxation and extraordinary items:

(e) Taxation: (f) Current cost profit or loss before extraordinary items; (g) Extraordinary items; and (h) Current cost profit or loss (after tax) attributable to share

### Reconciliation

A reconciliation should be provided between the current cost operating profit and the profit or loss before charging Views wanted on £5m limit

Hyde is that ED24 introduces a "monetary working capital adjustment" which charges which charges the current cost profit and loss account with the cost of maintaining working capital in current cost terms instead

of just maintaining stocks. also calls for a current cost balance sheet and for current cost earnings per share to be shown by listed companies.

giving the respective amounts the following: (a) Additional adjustment;

(b) Cost of sales adjustment; (c) Monetary working capital adjustment and interest relating to monetary working capital, where appropriate; and (d) Other material adjust-

ments made to the historical cost accounts when determining current cost operating profit. The adjustments for cost of sales and monetary working capital may be combined if, owing to the method of calculation, they cannot be separately identified.

The current cost balance sheet (which may be in summarised form) should show the group's assets and liabilities on the bases required by this standard. It should be supported by summaries of the fixed asset accounts and the capital main-

#### Valuation

The notes attached to the current cost accounts should indicate the bases and methods adopted in arriving at:
(a) The valuation of fixed

assets and the depreciation (b) The valuation of stock and work in progress and the

cost of Sales adjustment: (c) The monetary working capital adjustment;

foreign currencies and dealing with gains or losses arising;

(f) Other material adjust-ments to the historical cost accounts.

Listed companies should show the current cost earnings per share for the current and corresponding period. It should be based on the current cost profit attributable to equity share-holders before extraordinary items. In other respects the caiculation should be consistent with that used in the historical

cost accounts. A company which is a hold-ing company of a group and which is required to produce group accounts, should produce current cost group accounts in accordance with the principles set out in this standard but need not produce current cost accounts for itself as a single

#### Included

In all accounts prepared in accordance with this standard corresponding amounts for the preceding period should be stated. They should normally be included at the same figure as shown in the previous

period's accounts. For the first year for which current cost accounts are prepared, corresponding amounts need only be included if they

are readily available. Existing standards issued for use with historical cost accounts apply to current cost accounts except where a conflict exists caused by the conceptual difference between the systems.

The accounting practices set out in this standard should be adopted as soon as possible and regarded as standard for annual financial statements relating to accounting periods starting on or after January 1, 1980.

**Bambers Stores** Limited

### Profits double again

- Profits up 122% more than double for the second successive year.
- In the seven years since flotation Turnover has increased 11.6 times and Trading Profits have increased 18.1 times.
- Total adjusted net dividends per share are 117% greater than those for 1978.
- Proposed one for one capitalisation issue.
- Sixteen new stores have been opened during the last three months.
- Current year sales are well ahead of those for the same period last year.

S. MARKS, O.B.E., CHAIRMAN

£0.62m Trading Profit Turnover

£1.26m

Copies of the Report and Accounts may be obtained from The Secretary, Bambers Stores Ltd, Aldersgate House, Cromer Road, New Barnet, Herts.

# In Japan, you've got to play your cards right.

The Japanese way of life is very different from ours. And business etiquette is an important aspect of that way of life. Formalities are very precise and are part of a ritual that is both charming and obligatory.

At meetings and receptions, for example, you must say it with cards. Business cards. The exchanging of them is as essential as a handshake. And more than just good manners.

In fact, it's a very useful practice which helps you to pronounce difficult names and to discover the status of the people you meet. Through the JAL Executive Service, name cards-in your own language and in Japanese - can

be supplied quickly All you have to do is offices. fill in a request

there's the

authoritative book Business in Japan'. This book will ensure you get valuable insight into Japanese business practice and procedure, including etiquette you go, on the way and when you and behaviour.

An exclusive paperback edi-

and inexpensively. tion is available only from JAL from London and JAL's incom-

These are just two of the ways your nearest JAL Executive Service, the first JAL office. and still the most comprehensive And then package of business aids for the how important you are. executive visiting

EXECUTIVE SERVICE

It gives you all the help you need - before

Japan.

get:there. With all this, a daily departure

parable in-flight service, it's no wonder Japan. Air Lines fly more form from that you can get help through the Europeans to Japan than any other airline.

### We never forget



requirement the turnover limit of £5m and the problems of priticular of stries.

The exposure draft says that while the processed standard applies only to annual financial statements, it is hoped that current cost information will eventually be included in other statements.

statements such as interim accounts, preliminary results and prospectuses.

It continues: "In spite of years of study and debate the problem of price level accounting has not reached an agreed solution in any part of the world

Exposure Draft 24, Current Cost Accounting, by the Accounting Standards Commit-tee, PO Box 433, Chartered Accountants' Hall, Moorgate Place, London, EC2P 2BJ.

(except perhaps in one or two areas of hyper-inflation where the differences between various systems of accounting pale into

insignificance). "There is no perfect solution to the problem and many after-natives have attractive features. The aim has been to provide a practical and workable standard which will represent a real move forward in the evolution of the

While the exposure draft is brief and confined to a statement of the principles of the current cost accounting system and disclosure requirements, separate guidance notes are also included. These suggest practical methods intended to help companies implement the stan-

The guidance notes are not mandatory, as the Accounting Standards Committee holds the view that flexibility is necessary

Accounting Standards at this stage. Therefore, the or more (subject to some excittee believes there is an notes do not form part of the ceptions).

The £5m threshold coincides The draft proposes that the with the threshold defining standard should apply to all larger companies in the EEC listed companies and other Fourth Directive on company entities with a turnover of £5m law.

EXAMPLE OF PRESENTATION OF CURRENT COST ACCOUNTS

Y Limited and Subsidiaries

Group Current Cost Profit and Loss Account

· fo	or the year ended Decemi	ber 31st, 1980.	
1979 £000 18,000 Tue	mover		£'000 20,000
2.420 h	ofit before interest and ta historical cost accounts ss Current cost adjustme		2,900 1,510
1,100 CU	RRENT COST OPERATA	NG PROFIT	1,390
	aring adjustment		370
180 Inte	erest .	•	170
			1,560
	rrent cost profit before xation	Taxacion	730
	URRENT COST PROFIT	ATTRIBUTABLE T	0
650 S	HAREHOLDERS		830 - 430
400 Div	riden <b>ds</b>		
250 Ret	ained current cost profit	for the year	400
21.7р. Сип	rent cost earnings per sha	are .	27.7p
	Y Limited and Subs narised Group Current C as at December 31s	ost Balance Sheet	
1979 £'000	£'000 ·	£000	€'000
. £ 000	Assets Employed:	•	0 F36 ·
	7,130 Fixed assets (Not Net current asset	te 3)	8,530
3,200	Stock and work	(in	
. · ·	progress Trade debtors i	4,000	
700	trade creditors	800 Ees	
(1,000)	Other current li		
·	(Including taxal	(1,000)	
	2,900		3,800
. 1	0,030		12,330
	Financed by:	· •	<u> سوم</u>
•	Capital and reserv	<b></b>	
3,000	Jamed share can	ritat 3.000	
T,180	Capital mainten	ance 4) 3,030	
3,900	Retained profit	4,300	
:		<del></del>	TO 230

Where applicable other relevant items not shown in the above balance sheet should be presented in a manner consist

10,030

2,000

Find out more by contacting the Executive Service Secretary at your nearest

~	•	,	-	~	-			-
To:T	anan	AirLines,	8Ha	noverStr	eet,	Londo	nW1R	ODR.
,,			•		-	. ,	. 11	

TAL office, or mail the coupon today.

### Labour-unions Voters who want explanations for lost jobs link restored, Healey says

BY PHILIP BASSETT, LABOUR STAFF

industrial trouble, Mr. Denis to a jointly agreed target. Healey, Chancellor of the The electorate, in deciding Exchequer, said vesterday.

the concordat between the had a choice of relying on the Government and the TUC had force of law under the Conservarestored that relationship, the tives of the force of argument foundation of the Government's with Labour. success in the past five years in Mrs. Thatcher took pride in

tributive and Allied Workers relations and gloried in con-at Eastbourne, acknowledged frontation. the criticism of some of the saying: "A tiny minority of people behaved in a way which was a disgrace to the trade union movement."

'We had a damaging setback above all for the Labour movefell for the seductive arguments to attack common sense in pay nezotiations.

"The sort of free-for-all which seemed to be developing in Heath January and February which plate. she had called for is just ansuicide. It must never happen

Flag from the 2.000 delegates,

RELATIONSHIP that it could and must tell them with the trade unions suffered what sort of increases were a serious setback in the winter's needed to bring inflation down

which way a government should He emphasised though that deal with industrial relations,

reducing inflation and unem-ployment. her attitude of "extreme and unremitting hostility" to what she called "the destroyers in Mr. Healey, speaking to the annual conference of the moderate Union of Shop, Dismoderate Union of Shop

winter's action, which focused on the "secondary" picketing a repeat of their disastrous exin the lorry drivers' strike, by perience under the last Conservative Government when Mr. Edward Heath tried to improve industrial relations by bureaucratic legal constraints.

Mr. Heath was leading the last winter—damaging for the Conservative campaign for re-British people and damaging peating that. "The Bourbon of Bexley has learnt nothing and

It would be even worse next which Mrs. Thatcher was using time, Mr. Healey said, as Mrs. to attack common sense in pay Thatcher's plans to reduce strikers' social security payments were something even Mr. Heath had refused to contem-

other word for free collective poll reports of the narrowing Tory lead which had been 'melting away like a snowball Mr. Healey, whose speech in the sun" was due to growing was greeted with a standing scepticism, doubt and suspicion ovation and a verse of the Red about the honesty of Conservative election promises, particusaid that although the Govern- larly their proposed tax cuts; ment could not tell the unions and to a "deep uneasiness" inprecisely how to negotiate their side the Conservative Party itwage claims, its responsibility self about the experience and to the British people meant the capacity of its leaders.

### PM points to Tory flaw

IN A message to all Labour everyone earning less than candidates today, the Prime £10,000 a year would be worse cut taxation lack credibility. servati The flaw at the heart of the panic. Conservative case, he asserts, tion. "What is the point in tion and price rises getting an extra £1 a week in

Mr. Callaghan insists: "The mistic assessment truth is that the Conservatives

### **Powell backs EEC foes**

Community, weekend.

under who banner he is seeking it is he who is betraying his own

re-election for Down South, life's work."

### **Europe supporters rallied**

the first time in defence of are distracting attention from

paign has been marred by wil- policy while positive advantages night. fully misleading statements of the Community, including its He called virtually for a lation on industrial relations in and national wealth, of promotabout Europe" and calls for a contribution to political stabireturn to the approach embodied framing questions for directors ing healthy industrial relations
much more positive approach lity, are being ignored. in the controversial Industrial to put to all general election and creating "real jobs."

THE ASSOCIATION of British : Efforts in the election cam-Chambers of Commerce joined paign to blame Europe for in the election battle today for Britain's economic ills, it says, continued member the real obstacles—inflation, ship of the European Economic strikes, poor productivity, public community.

The association, in a strongly "Europe hashing" is also en-worded statement to party dangering the chances of leaders, says the election cam achieving future co-operation on

If the Tories won, Mr. Healey

Mr. Healey said that opinion

Minister repeats that Mrs. off, and the growing realisation Margaret Thatcher's pledges to of that explained why the Conservatives were beginning to has been exposed by the ques- has a better way to curb infla-

Labour, he contended, really

The party's landslide victory income tax cuts if your shop-ping bill goes up by £2?" Harold Wilson in a highly opti-

In touring all parts of the have promised more than they country he had found enthusiasm and unity and the Their promises would put up election seemed to have come

#### an impassioned defence of free enterprise and the freedoms it enshrined. She was careful at no time to

VOTERS CAN best serve the resolutely opposes the EEC, the national interest by supporting acknowledged that there are candidates known to be "pub-licly pledged and dedicated" opponents of the European & Mr. Michael Heseltine, Tory Enoch Powell declared at the nounced Mr. Powell's speech as

He made clear, however, that where that test can be satisfied survive if people do not vote. only by Communist Party, The vast majority of Conser-National Front or other candi-dates whose opposition to the candidates believe Britain EEC is associated with unac-should remain in Europe." ceptable policies elsewhere, a The real issue was Socialism vote withheld would be a vote or a free society, nationalisation

the Ulster Unionist Party, can stand aside on those issues

some dedicated anti-Marketeers in the Conservative ranks. Mr. environment spokesman, dethe height of irresponsibility."

He said: " Democracy will not

The real issue was Socialism ell used. or free enterprise, choice or Mr. Powell emphasised that state control. "If Mr. Powell

omission of any reference to her voice as she referred to Basuett, chairman of Trade "wreckers" or, indeed, to the Britain's national genius and Unionists for a Labour Victory. Conservatives' plans for curbing the fundamental need to pre- said: trade union power. Instead, she left it to Mr. was a fitting end to a rally that was not of elected trade James Prior, Shadow Employ- at times took on the atmosphere unionists representing demoment Secretary, to detail the of an American presidential cratically determined trade party's policies. He, as always, convention.

### OUTSIDE STEEL gates, beside a tent, a shack and a brazier stands a solitary picket. Until a month ago he was a foreman Loyden's "explanation" is

engineer at the Dunlop Speke, tyre plant, where he had 37 years of service, 25 of which are commemorated by the gold watch on his wrist.

"My feelings? Bitter and more militant than I've ever felt in my life." Will those feelings affect his vote on Thursday? A long pause. "I suppose, at the end of the day, it'll be Labour again."

The answer is important. Leaving national swings aside, the effect of the Dunlop closure upon the 1,200 or so men from



the plant thought to live in rpool's Garston constituency and the impact on their families and neighbours, will probably determine who wins the election. Employment, all four candidates agree, is the main issue in the campaign. More than 30

per cent of Speke's workforce is idle. More than 6,000 jobs have gone from the constituency, most of them from Speke, in Comprehensive charges its annual band of teenagers into the employment market this summer, probably only two-thirds of them will find work. Of those, half will depend upon one Government scheme or another for avoiding the dole

Beside the brazier, the picket's only companions are four jobless 15-year-olds. They are playing Eddie Loyden, aged 55, the

former port shop steward, Tribune group member and Labour MP for Garston after the February, 1974, election, knows he has a tough task in the last few days before polling.

Conservative trade unionists

appeal to rank-and-file trade

union voters and to repeat her

best interest of the working

handful" of militants in society

and those union leaders who,

she said, put the pursuit of socialism before those of their

Union leaders would, she

insisted, work with the next

democratically elected Govern-ment as in the past. "Of that I am confident," she declared.

Her speech, which was given

an almost rapturous response by the 2,000 or so Conservative

unionists at Wembley confer-

ence centre, was notable for its

members.

BY ELINOR GOODMAN, LOBBY STAFF

exclusive rights to represent the movement.

MRS. THATCHER used an emphasised the role of consulta-

almost evangelical rally of tion in the Conservatives' plans.

knock the ordinary union in funding secret ballots.

member. Her vitriol was He repeated the pareserved mainly for the "tiny commitment to changing

that big business has let the workers down. While Dunlop was investing in Eastern Europe and the Far East and lobbying the Government for cash to develop its other UK facilities, the machinery at Speke was

grinding into obsolescence. Planning agreements and more public ownership must be the tools of industrial regeneration, he argues.

His canvass returns in Labour territory at the end of last week were still showing 5 to 8 per cent "don't knows," almost all of them women. A week earlier. the figure was 15 per cent. He believes he's getting through and says there's no sign of a shift to other parties. It he doesn't get through, he won't survive. His 3.300 majority would fall to a 2.85 per cent

Garston is socially and politically Half bisected. ranges from substantial post-war semis to residences invisible beyond the sloping gravel drives and spruces. The other half is old terrace blocks of flaking brick and corporation estates.

Much of Speke estate is well kept, but one in four shops is boarded up. At Netherley estate, on the fringe of the constituency, a demolished box van with plywood windows serves as a grocery store.

customers' homes are bleak, broken and daubed with the vocabulary of frustration. Of Garston's six city council wards, three are Labour, three Conservative. Loyden is working almost ex-

clusively in his own\_territory. in the belief that the Tory areas from Edge Hill and Davison are impervious to his uncom- believes that he will rise on the promisingly socialist message. Malcolm Thornton, Conservative, aged 40, a River Mersey pilot, and Wilf Davison, also

tions closed, are sure that the interested in building on the Labour base is cracking. Labour base is cracking. reputations of Liberal council-Davison says he has Dunlop lors by retaining Edge Hill and workers, not previously known pushing for victory against huge Liberals, helping to run his odds and former Labour and campaign. Thornton says he is Tory incumbents in Kirkdale

Thatcher plea to workers

Change, he said, was essential,

that, in his view, the most important change the Con-

Mrs. Thatcher said that the

Mrs. Thatcher ended with a

Tories had a dtuy to "support

proposals on trade union reform - 10 their place, and the au

important change the Con- bashing that they hissed at servatives proposed making was every mention of the name of a

He repeated the party's The climax was Vince Hill,

commitment to changing the assisted by Lulu, leading the

law on secondary picketing and delegates in: "Hello Maggie,

and encourage, in every way we almost overwhelmed by it all,

can, the great majority of law. although she claimed afterwards

abiding people." The militants to be looking forward to a

who, she said, did such damage repeat performance. As the

to the economy, had to be stars gathered round her, she

partly unscripted plea for the on the platform, hey looked as

free enterprise system, without if they would rather have been

which, she said, there could be somewhere else.

no freedom. The emotion in After the rally, Mr. David

serve society's basic freedoms grammed Tory rally at Wembley

No. 10."

attack on Labour's claims of advice but to the whole union of a talent contest.

on the closed shop.

Call for tougher union curbs

posed by the Conservative Party action dependent on secret chairman of the institute, were urged by Mr. Michael colston, chairman of the Colston forms of picketing.

Mr. Colston, a member of the institute of Directors, last institute's Council, butlined his conservative Government.

That would provide the best characteristic of provide the best conservative conservat

group and a leading member of Mr. Colston, a member of the lostitute of Directors. last night.

He called virtually for a lation on industrial relations in and national wealth, of promot-

stopped.

TOUGHER CURBS on the Relations Act, 1971, with legally candidates.

trades unions than those pro- enforceable agreements, strike



Mr. Malcolm Thornton, Conservative candidate, at Garston's freightliner terminal.

often being told: "Sod the lot beyond the Garston boundary. of you.

The Liberal vote is, as usual in Liverpool, of special interest. Only two miles separate Garston believes that he will rise on the backwash of David Alton's recent by-election landslide.

However, Garston is not on the Liberals' priority shopping 40, a Manchester Liberal hur- list. Trevor Jones, the city's riedly drafted in before nomina- campaign director, is more "If we can get round and not getting many Conservative and Wavertree. So Davison is explain things, we'll be all promises on the estates, but is fighting without help from

Long before Mrs. Thatcher

appeared, the audience had

been warmed up by a small but

Tribune group member.

Mrs. Thatcher

now you're really on the road to

seemed uncertain how to react.

As for some of her advisers

publicity-pro-

The absence of maximum Liberal effort has led Labour men publicly to accuse the Liberals of a secret deal with the Tories (with whose minority compliance they run the City council) to let the Conservatives take Garston in return for an easy ride in Edge Hill. sense," say the Liberals. Thornton believes he is hou

and dry with no need for packs A former leader of Wirral Coun el on the posh side of the Mersey, he has been nursing Garston for three years. He rejects labels but his politics have a right-of-centre feel. He favours hanging.

unenthusiastic about overse

aid and regards the manifesto's proposals on trade union control as "just the beginning," although he is himself a trade

On the other hand, he is cautious about public expenditure, because of the area's housing and industrial subsidy needs, and he believes in a minimum wage.

He tours the constituency in a blue Austin Maxi, follow psually by his wife, a sleader, rather 1930s figure, in her blue Mini. Before arriving at functions, she parks and they step together away from the Maxi, usually holding bands

They look perfect among the nests of tables and candelabra of a Conservative coffee morning but the well built, straighttalking Thornton is far from out of place at the factory gate. His approach shows superb attention to detail, the literature is meticulous and the machine humming.

The odds must be against Mr.

Loyden. He only won the seat in 1974 because of the then recent incorporation into the constituency of the Netherley estate and as the fabric of that monument to ill-conceived planning crumbles, so too might his Added irritations for the

former MP are the intervention of the Workers' Revolutionary Party and the utter unpredictability of the Liberal perform-ance. Between February and October, 1974, the Liberal vote dropped by 4,000 and Labour's increased by 2,500, so naturally Loyden would have preferred a straight fight. In a part of Britain where

the Labour Government's poli-cies have manifestly failed to stop the rot, Loyden is counting on fears of Thatcherism and on the political distance between himself and the Callaghan administration to spark the credibility gap about Labour's doing better next time.

1979 candidates: E. Loyden
(Lab): M. Thornton /(C): W.

Davison (L): T. Kelly (WRP). October 1974 election: E. Loyden (Lab) 27,857; D. Stanlev (C) 24.557; G. Black (L) 5,865. Majority 3.300.
TOMORROW: Bosworth; North Devon, North Cornwall.

### Sir Keith's penance

yesterday to make a general but it had to be gradual. The glittering contingent of Conserparty would look not only to vative Equity members, who Conservative trade unionists for ran on to the stage like winners Those who could not be there Mr. Prior, who has had to because they were working. fend off pressures for tougher such as Les Dawson, sent jokes from within his party, indicated was so carried away by the general atmosphere of Labour-

doing a spell with a missionary order as a penance.

last week, he dutifully did and into the audience so as to whatever the local organisers

His nose, which has an the presence of somebody he regards as lacking in intelligence, was kept scrupulously under control, and he never own theories.
once confused the already Shopkeepers bewildered shoppers with talks about competition and, more of the Public Sector Borrowing obscurely, opening hours. Requirement or the money

The nearest he got to the latter was, when watching stamps being run off by the million in a printing works, he remarked uneasily that it was a bit like printing money.

that many of those who met busy on Friday that he almost him had no idea that they were made himself redundant. being introduced to such an

not, on his own admission, wholly laudable. He declined to enjoy campaigning. He regards go into several shops on the fronts that they have seriously it as an intrusion into people's ground that there were privacy and he flinches at the customers in them and he might of internment as an option."

all the humility and zeal of a and he is certainly an impressive normally cloistered theologian performer at public meetings. somebody asks a good question: On a tour of the Midlands he comes down off the platform

ally at the questioner's level. To make the best of the campaign, Sir Keith has devised unfortunate habit at West- campaign, Sir Keith has devised minster of twitching when in a list of questions, which uot only take the place of the usual electoral small talk but provide him with evidence for his Shopkeepers are all asked

obscurely, opening hours. Factory workers are asked their "skill" (in much the same way other politicians ask people's names), and the role of the microprocessor in their jobs. One of the big moments on Friday was when Sir Keith, the man of steel, came face to face The only drawback was that with a microchip.
he did it all with such modesty

Sir Keith himself kept so

The "walk abouts" finished illustrious politician, let alone the hate object of the Labour Left.

10 minutes ahead of schedule and, when, with the willingness to oblige that he had shown Left.
Sidling into shops, he would say apologetically: "I am sorry I am not a customer, just a politician." Sometimes, he politician." Sometimes, he arily stumped for an answer. Sir Keith, however, is not a man to give up easily. Seeing opinions down anyone's throat. a couple of shoppers, he strode Indeed, throughout his two once more back into the

SIR KETTH JOSEPH, Shallow reluctance to interfere in trade

someone cold in the street.

However, since he also spent virtually the whole camregards it as his duty, he paign on the road. Local applies himself to the task with organisers find him a good draw He is at his happiest when

discuss the subject enthusiastic-

### Ulster campaign workers arrested? BY STEWARS BALEY

POLICE in Marthern Incland POLICE in Seathern Liceand have arrested of least 55 feeple in Belfast in the past few days in what hooks like a round up of known Providinal IRA members and springulaisers before the general election.

Some observers tear that the sweep might Dresage a campaign by senior police and military officers to have interrment if selective returned to

ment, if selective, returned to The Royal Ulster Constabu-lary in Belfast refused vester-day to divalge flow many people had been arbested. A statement

said: "No one is ever arrested for political reasons. A number of people have been taken in but this is for questioning in connection with other matters." Comments from the Provisional Sinn Fein, the political wing of the Provisional IRA

and other republican groups suggest that people with former known links with the movement or sympathies towards it have been taken into custody.
Mr. Frank Maguire, Independent Republican MP for

Fermanagh-South Tyrone in the last Parliament, a former internee who is known to have many friends in the IRA movement, has said publicly that five of his campaign workers are among

those arrested, He asserted that Mr. Roy Mason, Northern Ireland Sec-retary, was trying to wreck his chances of being returned for Fermanagh-South Tyrone. Observers feel that with suspects able to be held for seven days without trial, the

police waited until the election

was imminent to get suspected Provisionals out of harm's way. Belief is growing among Republican groups that the police and senior Army officers are startin a campaign for the reintroduction of internment, abolished in December 1975. The police are worried about the growing sophistication of the Republican groups in bombings, murders and general dis-location they have achieved.

The latest edition of the Falls Weekly Report, a leading Republican publication, re-ported: "The British military are known to be worried by the success of the new techniques being used by the Provisionals Industry Secretary and Mrs. which the Confederation of and are thinking of ways to Thatcher's private guru, does British Industry would regard as going so badly for them on all considered the reintroduction

In Republican News, a leader British Army officers in the North are demanding the reintroduction of internment against Republicans as a means of combatting the general increase in resistance. Meanwhile, Mr. Maguire's

efforts to be returned in Fermanagh-South Tyrone are turning into the one real cliffhanger of the election in Northern Ireland. Fermanagh has a small, natural Catholic majority and

Mr. Maguire squeaked in by just over 2,000 votes in the last 1974 election. This time, however, Mr. Austin Currie of the Social Democratic and Labour Party. plans to stand as an independent, possibly splitting Mr. Maguire's vote and letting in a Unionist.

### Few arrests at National Front march

FEW INCIDENTS occurred anti-National Front demonstrators marched through the East End of London yesterday.

Police outnumbered the

1,000 demonstrators by more than two to one and there were only nine arrests.

WEST INDIANS living in Britain were niged to vote Labour, particularly in mar-ginal constituencies, by the West Indian Standing Conference. In spite of the Government's failure to "act on key issues," Labour still offered the best hope for the future of the nation.

MR. KEITH SPEED, Conservative spokesman on race relations, accused Labour of telling lies about Conservative immigration policy and reaffirmed that compulsory repatriation does not form part of it.

ACCORDING TO a poll published by the Western Mail, Mr. Gwynfor Evans, leader of Plaid Cymru, is running second to the Labour candidate in his Carmerthen constituency.

BRITAIN'S POOR industrial record may be explained by of life is more importest than wealth creation, accord-ing to Mr. John Pardoc, Liberal economies spokes-man. Politicians ought to be asking workers not how much they earned but how much they liked their jobs, he suggested on the TTV programme

Weekend World

Tal.

### The alternative solution from Britain's handful of Marxists

BY JOHN LLOYD

cratic Alliance, who see an axis Its evacuation of a revolution- from between the various far left ary position for a gradualist or which the party also advocates, groupings and the Labour "Eurocommunist" one has The party will not do well

ship of the Communist Party, capitalism, and to the state. down by more than 3,000 in two

1977 conference, of the the general programme of the expansion of the social services. liberation movement in recent the whole of the general programme of the expansion of the social services. liberation movement in recent the whole of the general programme of the expansion of the social services. liberation movement in recent the whole of the general programme of the expansion of the social services. liberation movement in recent the whole of the general programme of the expansion of the social services. liberation movement in recent the whole of the general programme of the expansion of the social services. liberation movement in recent the whole of the general programme of the social services. Liberation movement in recent the whole of the general programme of the expansion of the social services. Liberation movement in recent the whole of the general programme of the social services. Liberation movement in recent the whole of the general programme of the social services. Liberation movement in recent the whole of the general programme of the social services. Liberation movement in recent the whole of the general programme of the social services. Liberation movement in recent the whole of the general programme of the social services. Liberation movement in recent the general programme of the social services in the liberation movement in recent the general programme of the social services. Liberation movement in recent the general programme of the social services in the liberation movement in recent the general programme of the social services in the liberation movement in recent the general programme of the social services in the liberation movement in recent the general programme of the social services in the liberation movement in the lib

The alternative policy includes the National Front), and the CP opposition to the police as Mr. Callaghan. revised "British Road to an extension of public owner- has found more fertile recruit-Socialism," it now shows few ship, higher incomes and social ing ground among students, the Socialism," it now shows few ship, higher incomes and social ing ground among students, the distinguishing features from benefits. a 35-hour week, and intelligentsia, and the women's the general programme of the expansion of the social services. liberation movement in recent

THE ORGANISED currents of a number of activists — Mr. funded, in part, by an increase British Marxism are as numeric- James Reid, now the Labour in taxes resulting from more Party, the most uncompromising the National Front as a "hand- ing class unity. We have to a "hand- ing class add a gloss to the statements party, in which they see greater coupled with a lowering of food of those, like the Social Demoscope for socialist advance. the Common Market,

haemorrhage in the member implacable opposition to has dropped fast to register Tories getting in; we believe around the few hundreds in However, the CP is still in the constituencies it fights. It be brought to account for 41 years to around 25,000 on the the arena, fielding 40 candidates retains strength in the trade party's figures produced for its up and down the country union movement, and has the conference in 1977. While that (generally avoiding the Labour largest proportion of working to demonstrate that there is a the SU which provides most of figure still leaves it by far the marginals). Its major platform, class members of any of its Left- revolutionary socialist alterna-

of the Trotskyist groups, is ful of blockheads."

we are for standing 60 candidates, of Socialist Unity, which is a Labour Government of the Trotskyist groups, is ful of blockheads."

whom Ms Vanessa Redgrave coalition whose major partner class reason (Manchester, Moss Side) and is the International Marxist "When the

that the Labour leaders should

years in which they failed to

bring in socialist policies; and

according to Mr. Reuben Falber, wing competitors.

ings, it has probably suffered from erosion both to its right and left.

With its adoption, during the With its adoption, during the 1977 conference, of the 1977 conference of the 1

The Workers' Revolutionary not with our help." It dismisses policies which will create work- within the Anti-Nazi League.

Earlier Mr. Denys Randolph,

(Manchester, Moss Side) and is the International Marxist "When the working class The SWP is "taking part" Mr. Tariq Ali (Southall) are the Group, and includes the Big decided to form the Labour in the elections by issuing best known. According to Mr. Flame group and the International Marxist "When the working class The SWP is "taking part" in the elections by issuing best known. According to Mr. Flame group and the International Marxist "When the working class "The SWP is "taking part" in the elections by issuing best known. According to Mr. Flame group and the International Marxist "When the working class "The SWP is "taking part" in the elections by issuing best known. Party, particularly its left wing. allowed the groups to its left, in the election. Since 1945, when newspaper, the News Line, they standing about a dozen can working class party. When Much of this decline must be generically known as Trotskyist, two Communist MPs were are standing on three major didates, and are also supporting working class people decide to attributed to the continuing to take up the position of returned, its electoral support issues: "we want to stop the Ms Pat Arrowsmith and Mr. Vote Tory or Liberal or National and Troops Out of Ireland bannérs respectively. Ireland is a major issue for

the hecklers who have occasion-

manifest in the riots in Southall Mr. Pennington takes a is more polite.

Mr. Pennington takes a is more polite.

Worker calls for a vote for folly. "If they want to take on chances: "Socialist Unity can't national secretary, concedes that a class basis and without any

The group, as its name

left: but it has been rebuffed by the two other groups of size. bent on propping up British. "They no longer ask us because capitalism, whatever the cost to group (around 4,000 members)

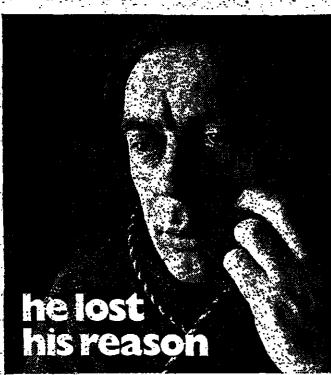
the whole of the Metropolitan stand as an organisational alter- the two have several points in illusions in the Labour Party."

Socialist Unity, which is a Labour Government for simple Socialist Unity would mean a loss of identity.

The party will not do well Alex Mitchell, the editor of its national Socialist Alliance, is steps towards an independent which it has branches: but it is putting forward no candidates. It, too, advocates a vote for Labour: it, too, says it has no Brendan Gallagher, who are Front, it is a historical step illusions about the vote. An under the Independent Socialist backwards." editorial in the party's paper. "Socialist Worker," makes the implies, wants unity on the far basis of its support clear: "Labour and Tory slike are

"some more surprises" for Workers Party, the biggest easier for the bosses, the police, the racists. That is why Socialist

### Sergeant J\*n\*k\*n was hit on the head



After 3 years in the last war, after keeping the peace in Kenya, after seein through the evacuation of Aden, Sergeant J'n'k'n was hit on the head. With

He lost his reason. He has been with us ever since he was invalided home. Sometimes in hospital, sometimes in our Convalescent Home - wherever he is, we look after him. We provide work in a sheltered industry, so that he can live without charity. One day, he'll probably enter our Veterans' Home for good, still thinking that the next man in the street is about to attack him. Every year brings in more and more deserving cases like Sergeant J\*n\*k\*n.

And every year our costs go up. If we are to survive in '79 we must have more funds. We're doing everything we can, but in the end it depends upon what you can afford to give

"They've given more than they couldplease give as much as you can".

### **€X-SERUICES** MENTAL WELFARE SOCIET)

37 Thurloe Street, London SW7 2LL, 01-584 8688.

CLUBS

TRAVEL

EVE. 189. Regent Street. 73 40557. A la Carte of All-In Menu. Three Spectatular Floor Shows 10.45, 12.45 and 15 floor Shows 10.45, 12.45 and 15 floor Shows 10.45, 12.45 and 15 floor Shows 10.45 floor Shows 10.45 floor Shows 10.45 floor Shows 11.3.30 am. Show at Midnight and 1 am. Mon.-Fri. Closed Saturdays. 01-437.6455.

ART GALLERIES

### Top British and American authorities

will be leading workshops on: organisational stress mid-career crisis predicting illness and more, at the 2nd International Conference on Transactional Analysis

### Oxford June 12-15

Details and bookings: Conference Organiser. 29 Paxton Gardens. Woking, Surrey.

in Organisations

### **BUSINESSMAN'S DIARY**

### UK TRADE FAIRS AND EXHIBITIONS

Date
Current
Boat Show (0703 32348) (until May 8)
May 2-4
International Freighting Services and Equipment
Exhibition—Freight Show North (01-437 0544)
May 8-10
London Laboratory Exhibition (01-855 7777)
May 8-13
Photo World '79 (01-935 8200)
May 9-11
Environmental Engineering Today International Environmental Engineering Today International Exhibition and Symposium (Royston 71209)

EIA Anglex '79 Engineering Exhibition (01-222 2367) May 10-12 ..... Antiques Fair (04868 22562) National Meat Trades Fair (01-637 2400) Sunday Times Business to Business Exbn. May 12-19 May 13-16 May 13-18 ..... (01-407 4046) May 15—17 ..... Coventry Engineering Exhibition (0203 51 May 16—20 ..... Boat Show (0932 54511)

May 23—26 ..... The Midlands Breadboard '79 (0822 4871)

May 23—June 10. USSR National Exhibition (01-637 2400) Coventry Engineering Exhibition (0203 51777) Boat Show (0932 54511)

OVERSEAS TRADE FAIRS AND

**EXHIBITIONS** 28th Casablanca Intnl. Trade Fair (01-584 8827) (until May 13)
International Collectors' Fair (01-236 0911) (until May 2)
International Trade Fair (until May 13) Stutteart Apr. 30—May 3... 11th Annual Offshore Technology Conference and Exhibition (01-486 1951) Houston May 7-11 ....... National Industrial Production and Machine Tool Show (021 454 6171)

May 8-11 ....... Interclean Trade Fair (01-228 2880) Τοτοπέο Amsterdam May 10—26 ...... Nan and His Environment Exhibition
May 15—18 ...... SITEV—Automotive Original Equipment and Components Exhibition (01-235 7000) International Surface Treatment and Industrial
Finishing Exhibition (01439 3964) May 20—22 ..... Tennis and Active Sports Show
May 21—25 ..... British Machine Tools Exhibition and Seminar
(01-215 7877)
May 28—June 1... World Inland Waterways and Ports Development June 6—16 ..... All-British Energy Exhibition (921-705 6707)
June 8—July 1... International Transport Exhibition (IVA 79)

(02013 4450)

33rd International Aeronautics and Space Exhibi-tion (01439 3984) International Technical Goods Fair (01-215 7877) June 19—19 June 16—20 Advanced Communications Exbn. and Conference International Exbn. and Congress for Metallurgical Equipment and Technology (01-409 0956) June 16-22 ..... **BUSINESS AND MANAGEMENT** 

June 9---17

May 15 .....

Fielden House Productivity Centre: The Companies Bill and the Fourth Directive (061 445 2426) Justitute of Grocery Distribution: 1984—For better Tips and Traps in Commercial Practice-Holborn Law Society seminar Management Studies Centre: Second International Word Processing Convention (01-940 5658)
Benn Business Promotions: Contract Furnishings Reducing the Fire Hazard (Edenbridge 863944)

Eisevier: Computer Fraud seminar (Oxford 512242) Financial Time Euro-Japanese Symposium— Trade, Finance and Politics in the 1980s (01-236 4382) Executant Conferences: Visual Inspection (High Wycombe 33171) May 8—10 ...... Crown Eagle Communications: UK Government Contracts (01-636 0617)

May 9-10 ..... AMR International: Multi-Currency Asset Manage ment (01-282 2732) CCC: Takeovers and Acquisitions—Optimum Terms for Vendor and Purchaser (01-222 6362)
Executant Conferences: Quality Manuals—Development and Preparation (High Wycombe 33171) May 11 ...... InComTec: Industrial Relations Law and Its Likely

Changes (Camberley 62677) yds of London Press: Marine Insurance May 13—19 ..... Ligyds of (01-353 1000) Robert S. First: Single-Use Hospital Products in May 14—15 ..... Europe Brunel Management: Organizing Effectively May 14—18 ..... (Uxbridge 56461)
Transnational Management: Strategic Management-Techniques for surviving in the 1980's May 14—16 May 14-18 .....

IPM: Selecting the Right Candidate (01-387 2844)
ICMA: Marketing and the Management Accountant May 14-18 ..... May 15 ..... (01-637 2811) CAET: Developments in Industrial Tribunal Law -How to cope with them (01-580 7179)

Geneva Seoul Strasbourg

Venue Exhibition Centre, Bristol Exhibition Centre, Harrogate

Wembley Conference Centre Royal Norfolk Showground, Norwich

Pavilion Gardens, Buxton Exhibition Centre, Harrogate

Bingley Hall, Birmingham

West Centre Hotel

Olympia

Earls Court

Hotel Leofric

Brighton Marina

Hamburg Paris

Copenhagen Dusseldorf

CONFERENCES The Post House, Northenden

Connaught Rooms, WC2 Carlton Tower Hotel, SW1

Metropole Hotel, Brighton

Royal Garden Hotel, W8 Royal Garden Hotel, W8

Brussels
Bull Hotel, Gerrards Cross,
Bucks

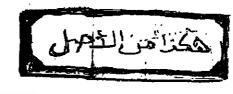
London Hilton Press Centre, EC4 Press Centre, EC4

Bull Hotel, Gerrards Cross, Bucks London Hilton Tower Hotel, E1

Dusseldorf Hilton Uxbridge Copenbagen Whites Hotel, W2

Café Royal, W1

The Crown Hotel, Harrogate



### PROVIDENT LIFE ASSOCIATION OF LONDON LIMITED Established 1877 PROVIDENT HOUSE 266 BISHOPSGATE LONDON EC2M 4QP

#### Extracts from the Statement by the Chairman Mr. R. J. W. Crabbe on the Group Results for 1978

The most significant feature of the results for 1978 was the successful new business effort which increased the new annual premiums by 41 per cent. for life business and by 53 per cent. for pensions business. We have also achieved a further increase in the proportion of with profits new business from 45 per cent. in 1977 to 63 per cent. in 1978, This is a gatisfactory proportion which we shall seek to

The Insurance Industry benefited during the year from more stable economic conditions and recorded a healthy increase in new business. This was helped by the introduction of the new State Graduated Pension Scheme and from the very active house purchase market.

#### LONG-TERM BUSINESS

New sums assured were £208 million compared with £176 million in 1977 and new annual premiums were £3.3 million compared with £2:3 million-in 1977. The spread of new business was very satisfactory, about two-thirds being life business and one-third being group and individual pensions business. Sales in the year were also particularly good in respect of profit endowment policies to cover Building Society advances and without profit endowment policies in connection with topping-up business where the policy covers both the Building Society advance and our mortgage.

At the end of the year the long-term funds stood at £88.8 million and the investment Reserve at £5.6 million, compared with the 1977 figures of £83.0 million and £4.9 million. The cash flow available was invested in approximately equal proportions in Government securities and equity type investments. In addition a further (2 million was invested in topping-up mortgages associated with a large volume of endowment policies, this being financed out of the repayments of older mortgages with lower rates of interest, so that the total investment in house mortgages was unchanged at £53 million.

As a result of these operations we achieved another satisfactory increase in the gross rate of interest earned on the long-term funds, which rose to £7.98 per cent. compared with £7.64 per cent. in 1977.

The expenses and commission during the year were £5.66 million compared with £5.00 million in the previous year, an increase of 13 per cent. The larger part of these are in respect of new business which rose well over 40 per cent. The extension of computer systems is continuing and their effectiveness in containing unit costs is now being experienced. In particular they have dealt with all the preliminary work necessitated by the introduction of tax relief by deduction from life assurance premiums which commenced on 6th April, 1979.

The annual valuation carried out by the actuary revealed that the surplus emerging in 1978, including the transfer from investment reserve, totalled £2.99 million. The valuation basis used in 1977 has been maintained except that, in order to accommodate new business strains, the rates of interest were raised by 0.25 per cent. In

valuing with profits life assurances, and by 0.50 per cent. in valuing endowment assurances without profits. After providing for bonuses to policyholders and transfers to shareholders, the surplus carried forward to 1979 was £0.97 million.

### GENERAL INSURANCE BUSINESS

The United Standard Insurance Company Limited achieved a total profit after tax of £71,000. The Property and Accident account once again showed a substantial underwriting loss, but the amount was far less than in the previous year as the steps taken to deal with the situation began to take effect.

The Property and Accident account underwriting lossess were £268.000 compared with £496.000 in 1977. These derived mainly from retailers business and from closed accounts especially reinsurance business. The retailers' rates of premium were substantially increased at the end of the year, and the closed accounts, all of which ceased to be written in 1976 or previously, are not expected to affect future results significantly. The rates charged for house contents policies were increased in May 1978 and this has resulted in a satisfactory performance during the year in a sector that has in-recent years been very unsatisfactory.

The motor account premium income increased to £1.8 million from £1.6 million in the previous year and the results continue to be satisfactory. The investments of the subsidiary are largely in short government securities, and the fall in market value by the end of the year was absorbed by the investment reserve, which, after the transfer from the Revenue account, then stood

in July 1978 a further £200,000 share capital was subscribed by the parent company increasing the issued share capital of the United Standard Insurance Company Limited to £1,200,000.

SHAREHOLDERS' FUND The parent company's profit after tax was £510,000 compared with £454,000 for the previous year. This includes £433,000 transferred from the long-term fund against £365,000 in 1977. The tax charge in the Shareholders' Fund included. for the first time, some £17,000 of Advance Corporation Tax which may be taken into credit at some future date.

The combined profits of the group after tax were £582,000 compared with £433,000 in the previous year. After allowing for recommended dividends costing £426,000, against £371,000 in 1977 and making the transfer referred to in the subsidiary company's accounts, the carry-forward in the combined Profit and Loss accounts was

On the 29th December, 1978, meetings of both the A and B shareholders approved proposals for the enfranchisement of the B Ordinary shares, so that all the Ordinary shares now have the same voting rights. This involved a capitalisation issue of 255,000 new Ordinary shares issued to A shareholders on the basis of one new share for every ten held. I am sure that this will be of benefit to all shareholders by creating a larger single market and bringing us into conformity with modern practice.

The Annual General Meeting will be held on Wednesday, 23rd May, 1979, at 12 noon, in the Suffolk Room, Abercom Rooms, Liverpool Street, London EC2P ZAN. Copies of the Report and Accounts for 1978 can be obtained from the Secretary.



### Let's be partners.

Perhaps you know us already, without realizing that we're neighbours. Deutsche Bank-number one in the German home market—has a branch in New York to help you develop your international business and strengthen your financial ties to Europe. Take advantage of the well-founded experience and all-

around services offered by a major international bank.

It's just a question of getting to know each other. Tomorrow we'll be telling you a little more about one of the biggest banks in the world.

Right here.



Deutsche Bank AG New York Branch, 9 West 57th Street, P. O. Box 890, Radio City Station, New York, N.Y. 10 019 U.S. A Tel.: (212) 940-8000, Telex: TRT 171741

.. FINANCIAL TIMES SHOPPING BASKET

### Manual billing plan to cut telephone loss

try to introduce manual billing to the use of association mem- into the banks. of telephone customers to by- bers to prepare the bills manu- The Banking, Insurance Pass the effects of a strike by ally. It believes that the task and Finance Union has rejected Computer workers which has will be so large and the work palted the issue of all telephone Mills since April 5.

Disruption to the telecom- bers' action. munication business will be ingreased, though, by acampaign believe that the Post Office will of selective strikes over pay try to send the first manual bills from today by members of the Civil and Public Services Asso-

The Post Office will ask Rierical workers, members of the association, to make up tele-phone bills manually to try to bring in the revenue delayed by The strike by members of the Society of Civil and Public Servants. The society estimates shat the action is delaying payment of 5m a day.

so slow that manual billing will have little effect on their mem-

Officials of both unions try to send the first manual bills to larger telephone users, including big companies, newspapers and Government depart-

Selective strikes by clerical British Rail has reached a workers who issue new equipment to telephone engineers workers of 12.3 per cent, with will begin today in Blackburn, further increases for drivers Manchester, Peterborough and and top signalmen and an offer London. Members of both unions, Post Office commercial cash groups in Glasgow, Liver-pool and London will refuse to scheme.

The society will not object pay outstanding telephone bills

a pay offer of 12 per cent from Barclays, the first of the English clearing banks to reply to the union's claim for increases of 26-44 per cent.

The union formerly the National Union of Bank Employees, is pressing for an offer closer to settlement averaging 17 per cent reached with the Scottish banks.

of a further I per cent for all grades on reaching agreement on a new national productivity

Teachers to intensify action this week as pay talks halt

BY OUR LABOUR STAFF

week in support of their pay

They are angry because Mrs. Shirley Williams has halted their pay talks and she has told them to wait until after the

The 85,000 members of the moderate Assistant Masters and Mistresses Association, which last week advised against industrial action, plan to walk out during school time on Wednes-day afternoon, "to express their dismay and frustration."
The National Union of

Teachers, the biggest teachers' group, said it planned to include "thousands" of schools from today in its action including a ban on meals supervision, out-of-school activities and the use of teachers' cars on school business.

It has called on its 250,000 said.

BRITAIN'S TEACHERS plan members to make the action as to intensify their action this wide spread and effective as possible and give parents only 24 hours' notice of sanctions instead of three days.

The second largest teacher union, the 115.000 National Association of Schoolmasters/ Union of Women Teachers, which is to start a strict fivehour working day from May 8, has threatened to take legal action against the Government and local authorities over their handling of pay negotiations.

Mrs. Williams denied that she

had placed an embargo on further negotiations. She also denied claims that she had accused the irresponsibility. teachers " Negotiations

resumed as soon as possible after the Election and I hope teachers will not take disrup-tive action at this time," she

### Dockers accept £8 rise on Merseyside

MERSEYSIDE dockers yester- take effect from last Saturday. day voted to accept an increase of about £8 a week plus improved bonuses and other fringe

Mr. James Fitzpatrick, chairman of the Liverpool Port Employers' Association, said benefits to give a new basic that the agreement not only wage of £66.50 a week.

About one-third of the port's the incentive to further improve

### Sharp increase in fruit and vegetable prices

Canned goods. Frozen foods

Non foods

TOTAL

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDEN

A SHARP rise in the cost of meat and fresh fruit and vegetables has pushed the FT Grocery Price Index up by 1.76. per cent in April.

The April index now stands at 110.88, which means that since the shopping basket was re-launched in March 1978 grocery prices have risen by slightly more than 10 per cent.

The FT shopping basket is based on data collected by 25 shoppers who monitor 100 items; each month in the same food stores of all sizes and types throughout the UK. The basket Index for April: 110.88 is not intended as an absolute guide, but — because it tends to be more up-to-date than

trends In April, the fresh fruit and regetable section of the basket were much more expensive April, for example, an unsliced this year has meant that fruit dearer because of limited and vegetable prices have in supplies.
creased more than in a normal Beef year. The poor weather has reduced the supply of fruit and vegetables — thus pushing up prices—and has also delayed. the usual supplies of early read

son fruit and vegetables. The index increase was mainly due, therefore, to the continued general high level of fresh fruit and vegetable prices. also responsible.

demineralised

waste water

age (10.000 mt)

• Inert gas generator unit.

● Hydrogen-rich gas genera-

Electrical equipment high-

tor unit using catalytic cracking of ammonia.

tension transformers, elec-

tric motors, switching gears,

rectifiers, capacitors, etc.,

for safety and explosion-

proof designs H.T. cables

Construction and erection

Emergency diesel generator

Laboratory equipment, such

and fitting materials.

Other equipment: mech-

anical seals, gland packings, drive couplings, instrument

air drier, on-line cleaning

equipment for surface con-densers, cathodic protec-

tions for underground

Suppliers wishing to be con-

idered for registration should

forward the information on

their qualifications so that it

will be received at IGSAS within six weeks after publi-

cation of this announcement. All correspondence should be

the right to verify all state-

ments and also not to register

any supplier, without assign-

ing reasons therefore. The information submitted by the

vendors will be passed on for review by the international

engineering firm appointed by

IGSAS as the project's general

factors will be considered in

evaluating subsequent quota-

tions: price, quality, instal-

lation, operation and main-

tenance cost, freight, delivery

schedule, inspection and expediting costs, performance guarantees, compliance with

specifications, spare parts,

terms of payment and sup-

plier's experience. Vendors

who have not supplied equip-

ment for a fertiliser or heavy

chemical plant of a similar

magnitude need not apply.

Sanayii Anonim

Sirketi (IGSAS)

Anatolian Fertiliser

Telex: 22808 IGSA-TR

Cable: IGSA-IZMIT

Istanbul Guore

Project

Turkey

P.O. Box 132

contractor.

English. IGSAS reserves

as gas chromatographs, etc.

set rating up to 2,000 kVA.

of various sizes, etc.

Workshop equipment.

Safety equipment.

Explosion-proof

pipes.

equipment.

Non-lubricated compressors

for plant and instrument

refrigeration unit.

Sugar, tea, coffee, soft drinks Bread, flour and cereals Preserves and dry groceries Sauces and pickles Meat, bacon etc. (fresh) Fruit and vegetables

1978: March 100; April 181,77; May 103,11; June 104.8; July 102,41; August 101.89; September 101.90; October 101.37; November 103.67;

official comparisons — it provides an early indicator of price 1979: January 108.54; February 108.65; March 109.12; April 170.88.

rose by over £18 to reach because of limited end of season loaf cost 2p more in many shops.

£258.71 in total. The late spring supply. Bananas were much Higher sugar prices as a

Beef prices in the shops, pork, particularly loin chops, were also dearer. The main reason again appears to be shortage of supplies due to the bad weather.

The freeze on bread prices will help keep prices down for the next three months unless the big bakers are given interim per half-dozen. will help keep prices down for the next three months unless However, the introduction for price increases. But the freeze the first time this year of early, will only apply to the standard basket should be made to season — and therefore more 28 oz and smaller loaves protections were potatoes was duced by the hig bakers. Small. Financial Times. The FT also responsible independent bakers who do not

result of the recent Green Pound devaluation are also beginning to filter through to especially for topside, lamb and the shops. A one kg bag of sugar costs about 11p more in most of the shops monitored, while cakes, biscuits, and orange squash were all slightly dearer.

Butter is up by 1ip per i lb. with margarine up by about 2p.

Financial Times. The FT grocery prices index is copyright and may not be repro-Lettuces were generally have to notify the Price Com-cheaper in most shops — by as mission of price rises will still duced or used in any way with-much as 7p each — but carrois be able to increase prices. In

### Four likely to contest Notts. miners presidency

Sutton colliery, polled 7,805 financial secretary, and Mr. Ray tighter sex equality legislation, vites with Mr. Henry Richard- Chadburn, Notts area official, but was adamant that women son second with 4,843 in a total both moderates, and Mr. Joe should not have to do night

Project, Yugoslavia.

after the payment of:

effected as follows:

field of 13 candidates.

**CONTRACTS AND TENDERS** 

CALL FOR TENDERS FOR

SUPPLYING THE EQUIPMENT FOR

THE DAIRY

Vojvodjanska Banka, Novi Sad, Yugoslavia, has received a

loan from the World Bank in various currencies equivalent to USS 75 million towards the cost of Agricultural Credit II

The Investor Dukat has applied for a loan from Vojvodjanska Banka to utilise the proceeds of the World Bank loan for the contract for which this Invitation to Bid is issued.

Payment by the World Bank will be made only at the request

of Vojvodjanska Banka and upon approval by the World Bank in accordance with terms and conditions of the loan agreement,

and will be subject in all respects to the terms and conditions

of that agreement except as the World Bank may specifically

agree. No party other than Vojvodjanska Banka shall derive rights from the loan agreement or have any claim to loan

Therefore Zamex, Export-Import. Zagreb. Yugoslavia. by authorisation of Dairy Dukat, Zagreb, the employer, calls for

Tender to supply and install the dairy equipment. Included

are: 300 pcs. cooling units for milk, 3 complete lines for

production of sterile milk products. 2 complete lines for cheese

production and various other dairy equipment.

The Tender Documents will be available about May 10th, 1979,

The payment for the release of the Tender Documents to be

-Foreign currency payment in favour of the account of

Zamex, Export-Import, Zagreb, the account with Zagrebacka Banka, Zagreb, Nr. 30101-620-16-7100-000-

-Payment in Dinars in favour of the account of Zamex,

Export-Import, Zagreb, with SDK, Nr. of the account 30107-601-16803, Zagreb, with the note: "For the Release

Producers from the member countries of IBRD and Switzerland

have the right to participate in the international tendering.

The deadline for bids acceptance according to this advertise-

ment is June 30, 1979, till 10.00 am and the public bids opening

will be the same day at 12.00 noon local time in the premises

NOTICE

CONTRACT No: KM/2/79

**SUPPLY OF** 

TRAINING CENTRE EQUIPMENT

(Film Projectors, Cassettes, Cameras, Screens, Office Steel Furniture, Duplicating Machine, Typewriter etc.)

Corporation, Khartoum, invites tenders for the supply of equipment for the Training Centre at Port

Details and specifications can be obtained from

the Offices of the Sea Ports Corporation, P.O. Box

2534, Khartoum, or from Sudan Government

Purchasing Agent, London-Sudan Embassy, 3-5

Cleveland Row, St. James's. London, S.W.1, after

payment of £3 (three pounds sterling) for one set

the Contract and the Chairman reserves the right to

accept the whole Contract from one supplier or part.

4. Payment for the Contract will be in foreign

5. The closing date fixed for acceptance of Tender

in this office is Thursday, 10th May, 1979, at 12.00

SUI NORTHERN GAS PIPELINES LTD.

**TENDER NOTICE** 

1. Sui Northern Gas Pipelines Limited invite tenders from

manufacturers for supply of Domestic Gas Meters on C&F

2. Interested manufacturers are invited to apply for the Tender

Documents specifying the above mentioned Tender Number to

Sui Northern Gas Pipelines Limited.

Monnoo House, 3 Montgomery Road,

P.O. Box No. 56, LAHORE - PAKISTAN.

3. Final tender must reach the Company before the closing

CHAIRMAN, SEA PORTS CORPORATION

Closing Date Opening Date

30 May 1979 30 May 1979

and Time

and Time

Tenderers may quote for the whole or part of

of details and specification.

Karachi Pakistan basis:-

the following address:-

Material

date and time mentioned above.

The Managing Director,

Tender

Number

SN-4632/79

currency from I.D.A. Credit No. 781.

The Chairman, Board of Directors, Sea Ports

of the hotel "International," YU-41000 Zagreb, Miramarska 24.

-For the bidders from abroad US\$ 100

to Zamex, Export-Import, Zagreb.

—For the bidders from Yugoslavia Dinars 1.800

Mineworkers after a moderate in August.

branch secretary, Mr. Roy Lynk, was elected last week as an area make up an expected field of equal pay four, including Mr. George members.

Mr. Lynk, a branch official at Cheshire, present Notts area The corrections of the control of

#### **AUEW** demand for sex equality THE NATIONAL committee of

the Amalgamated Union of FOUR CANDIDATES are likely clear whether he intends to Engineering Workers yesterday to be running for the presistand for the area president's unanimously agreed at its dency of the Nottinghamshire job when Mr. Len Clarke, a annual meeting in Eastbourne area of rthe National Union of leading NUM moderate retires to use "the full strength of the Mineworkers after a moderate in August. paid more than lip service to equal pay for 180,000 women

Whelan, present area secretary work to gain equal opportuni-

GOVERNMENT

OF YEMEN

ARAB REPUBLIC

EDUCATION

MINISTRY OF IMPLEMENTATION

UNIT

IDA EDUCATION

PROJECT

P.O. Box 96. Sanaa

Cable: PROJED

Telex: 2405 EPIU YE

INTERNATIONAL

TENDER NOTICE

Manufacturers and suppliers

from member countries of the

World Bank and Switzerland

are invited to participate in

the Tender for supplying

equipment as per bid-

Equipment for machine

shops and glass workshop.

Equipment for welding

Equipment for foundry

Tender documents can be

obtained from the above

and forging.

on the 16th July, 1979.

CONTRACTS

AND

**TENDERS** 

Advertisements

appear every

Monday

Rate:

£15 per single column cm

Minimum three cm

For further information

regarding advertising

please telephone:

FRANCIS PHILLIPS

01-248 4782

bid-package.

packages mentioned below:

6.000 dockers voted on the offer productivity in the docks over yesterday. The increase will the next 12 months.

### TURKEY

### IGSAS—Anatolian

### Fertilizer Project

#### Istanbul Gubre Sanayii Anonim Sirketi (IGSAS) and the Republic of Turkey have applied for a loan from the World Bank in various currencies for financing a major portion of the foreign exchange requirements of the Anatolian Fertiliser Project to be constructed at Kirikkale, 90 kilometres from Ankara. and intends to apply the proceeds of this loan to eligible payments for equipment and services under contracts for which this Notice is issued. IGSAS, which afready has established an ammonia/urea complex at Izmit, is undertaking the establishment of the Anatolian Project which will consist of a single stream 1,000 tons/day ammonia plant based on steam reforming of

naphtha, a 1,750 tons/day

urea plant, and other sup-

address upon a non-refundporting facilities such as able payment of USS 50 per steam and power generation, water treatment, material handling, pollution control, Tenders will be received up to 12.00 noon (local time) on The proceeds of the loan the 15th July, 1979, and will will be used to pay for probe opened in public in the curement under Bank guide-Implementation Unit, IDA Education Project at 10.00 am

lines and payments will be made only at the request of IGSAS, in accordance with the terms and conditions of the loan agreement. Suppliers interested receiving invitations to bid are invited to submit their qualifications by providing he following information in

quadruplicate: categories disted below for which they wish to quote; description and capacity of manufacturing facilities; components usually sub-contracted; availability of after-sales service and spares in Turkey; latest annual report and balance sheet; experienced with similar equipment, including list of customers using such equip-ment during the last two or three years; approximate delivery schedules; number of weeks required to prepare proposal; schedules for furnishing technical data and certified drawings after receipt of orders; workload as percentage of total capacity in 1978 and 1979 on a quarterly basis; and,

Equipment and materials to be procured include, but are not necessarily limited to, the following categories:

 Pressure vessels, columns and serubbers in carbon/ stainless/alloy/clad steel for low and medium pres-

Ammonia/urea converters. Heat exchangers, including

waste heat boilers, economisers, etc., for operating at different pressures — shell and tube, U-tube, wound tube, fin tube, plate type in carbon steel, stainless steel, alloy and clad steel.

Piping and fittings for high pressures and for corrosive fluids.

● Valves in various construcincluding tion types, such as relief. safety, globe, gate, plug, needle, ball, butterfly, etc., ● Mechanical draft cooling for high pressure and corlowers. rosive fluids. Pneumaticand motor-operated control

valves. Tanks and separators for medium and high pressures in carbon steel and stainless steel and for special design. Tower packing and Inter-

nals, such as Raschig rings, trays, distributors, etc. Refractories lining and castable materials for ves-

sels, furnaces and flue gas Insulation and lining materials for high and low Insulation

temperature duty. Instruments including accessories: transmitters. relays, pneumatic and elec tronic instruments, auto-

matic analysers, solenoid valves, optical instrument pyrometers, erection materials, etc. Structural steel material,

including requirements for reforming furnaces.

Catalysts.

• General filters, air filters. demisters, strainers, separa-

 Fans and blowers: induced/ forced draft fans for naphtha/fuel oil-fired furnaces, exhaust fans, air

■ Turbo-compressors for air (40 kg/cm²), synthesis gas (up to 320 kg/cm²) ammonia refrigeration and carbon dioxide.

 Steam turbines (condensing and/or back pressure type) including gears for an output up to 22,000 kW for driving compressors, centri-fugal pumps, blowers, fans and generators.

● Centrifugal pumps (carbon/ stainless/alloy steel) for naphtha, cooling water, demineralised water, con-densate, chemical process and non-process use. ●High-pressure reciprocating

pumps for liquid ammonia. hot ammonium carbonate and chemical dosing. ■ Vacuum systems: steam

ejector with barometric condensers. Elevators, prill

scraper, prilling equipment, De-aerators.

■ Fuel

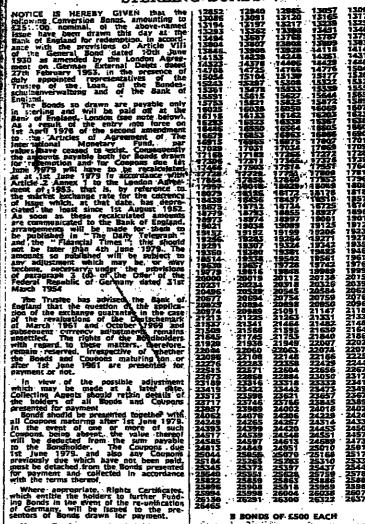
oil / naphtha-fired generators with superheater for producing high-pressure steam. ● Product handling system:

belt conveyors, vibrating screens, weighing, bagging and sealing machines (50 kg bags), bulk product reclaimer, belt-mounted weight scales. ♠ Turbo-alternator with acces-

sories for output of 10 to 15 megawatts. Water treatment system,

### BOND DRAWING

GERMAN GOVERNMENT INTERNATIONAL 51 PER CENT. LOAN, 1930 STERLING BONDS



### COMPANY NOTICES

GOVERNMENT OF NEW ZEALAND...

71% 1972-1987 FF. 75,000,000 The redemption due on 1st June 1979 for which a sum of FF.4.000,000,is planned has been completely repurchased in the merket.
The amount of this issue ourstending ethal 1st June 1979 is
FF.59.000.000.—

Paying Agent BAHQUE DE PARIS ET DES PAYS-BAS POUR LE GRAND-DUICHE DE LUXEMBOURG

BANQUE FRANÇAISE DU COMMERCE

EXTERIEUR

SUS25,000,000 — FLDATING RATE

NOTES DUE 1983

In accordance with the provisions of
the above notes, the rate of inherest for
the period April 27th, 1978, to October
1978, 1979, has been fixed at 100%

of above. 29th. 1979. has been date will be payper ahmen as on such date will be payinterest due on such date will be payable upon surrender of Coupon No. 6.
BANQUE INTERNATIONALE A
LUXEMBOURG
Societe Anonyme

UROGUAY 31-% COMMOLIDATED DERT 1881 Williams & Glyn's Senk Limited berely sive notice that they with he presented to sev. on Job May, 1979, the coupons doe that they are notice that the plant of the coupons to the they are not that they are not the coupons.

5-10. Great Tower Street.

HPANY

### PLANT & MACHINERY

Description Telephone ROLLING MILLS Sin x 12in x 10in wide variable speed

SALES

Four High Mil. 3.5in x 8in x 9in wide variable speed Four High Mill. 10in x 16in wide fixed speed Two High Mill.

6in x 16in x-26in wide Four High Mill.
20in x 30in x 350 H/P Two High Rerversing Mill
10in x 12in wide fixed speed Two High Mill
17in x 30in wide fixed speed Two High Mill
1770 CUT-TO-LENGTH max. capacity 1,000 mm 2 mm x 7 tonnes coil fully

by A.R.M. Max. capacity 750 mm x,3 mm FARMER NORTON 18in WIDE CUT-TO-LENGTH LINE Max. capacity ISIn x IC's.w.g.
RWF TW STAND WIRE FLATTENING AND
STRIP ROLLING LINE, IOin x 8in rolls x

75 hp per roll stand. Complete with edging rolls, turk'n head, flaking and fixed recoiler, air gauging etc. Variable line speed 0775/ ft/min and 0/1,500 ft/min SLITTING LINES (2) 300 mm and 920 mm

MACHINE by Platt. Max. capacity 2in Bar 2.50in tube BLOCK (400 mm) IN LINE, NON-SLIP WIRE DRAWING machine in excellent condition. 0/2,000 ft/in variable speed; 10 h.p. per

SIX BLOCK (22in x 25 h.p.) IN LINE. NON-SLIP VARIABLE SPEED WIRE DRAWING MACHINE by Marshall Richards 15 Die MS4 WIRE DRAWING MACHINES, 5,000 ft/min with spoolers by Marshall Richards

MACHINE equipped with 3 speed 200 h.p. drive 20in. Horizontal Draw Blocks 22in Vertical Collecting Block and 1,000 lb Spooler: (Max. inlet 9 mm finishing down to 1.6 mm copper and aluminium)
9 and 17 ROLL FLATTENING AND LEVELLING MACHINES, 20in, 36in, 59in

and 72in wide HYDRAULIC SCRAP BALING PRESS by Fielding and Plant, 85 ton main ram

max. capacity 1,250 mm x 25 mm M.S. Plate, complete with full range of spares
No. 1 FICEYP SHEAR, max. capacity 50 mm

rounds 75 mm x 35 mm bar 400 mm x 10 mm flats (spare shear blade)
1974 FULLY AUTOMATED COLD SAW by Noble & Lund with batch cotrol
3 CWT MASSEY FORGING HAMMER—

pneumatic single blow
36 Dia. HORIZONTAL BULL BLOCK by Farmer Norton 75 H/P variable

speed drive TWO SPEED REVERSING ROLLING MILL, equipped with 20 in dia x 30in wide rolls.

temperature control cabinet DRAWBENCH by Platt, max. capacity 15 ton 1972 ROTARY SWAGING MACHINE by

40 hp x 750 ft/min 14 in diameter finishing block. 18% area reduction per die

4,000 TON HYDRAULIC PRESS. Upstroke UPSET FORGING MACHINE 4in dia, 750 ton WICKMAN 11 6SP AUTOMATIC, Reconditioned WICKMAN 11 6SP AUTOMATIC. Reconditioned WICKMAN 21in 6SP AUTOMATIC. Reconditioned WICKMAN 21in 6SP AUTOMATIC. Reconditioned CINCINNATI CENTRELESS GRINDER. Excellent LINDNER JIG BORER, very accurate 1907 to 94"

200 TON SCHULER HIGH SPEED PRESS 200 spin LUMSDEN GRINDER 36" dia, magnetic chuck LUMSDEN GRINDER 84" x 24" magnetic chuck HEID COPY LATHE 36" dia x 50". Reconditioned FISCHER COPY LATHE TYPE 18/150 WIEDMAN TURRET PRESS TYPE 8RA/41 as new BRYANT INTERNAL GRINDER 60" dia, Excellent DOYOETHIEL RABBET I ING 1181T 36 cu ft. rub. lim ROTOFINISH BARRELLING UNIT 36 cu.ft. rub. lined

CAZENEUYE LATHE Model 725 25". dix x 39". Excel.
NATIONAL COLD HEADERS !" & !" diz. recon.
200 TON DEEP DRAWING PRESS
DEEMOOR HEAVY DUTY LATHE 38 diz x 10 ft CINCINNATI No. 3 HORIZONTAL MILL V.D.F. CENTRE LATHE, 26" dia. x 14 ft BARBER & COLMAN 16-16 HOBBER, 25 new DRUMMOND COPY LATHE 8' 6" B/C. Recond

### **MOTOR CARS**

#### BRISTOL - THE EXCLUSIVE ONE ARE THERE ANY OTHER FULL FOUR SEATER CARS WITH ALL THESE FEATURES?

412/\$2 Convertible Salon £29,264 or lease

"A massive separate chassis (or even a chassis at all !)

Aluminium coachwork as standard. \*A 22 cu. ins. luggage boot. \*A full salgon which can be a convertible in gumme \*Sports car handling and performance but with the comfort and decility of a limousine in towns. \*A smooth unfussy engine which is easily maintained and runs on 2 ster fuel.

BRISTOL CARS LTD. 368-370 Kensington High Street, London W148NI - 01-603 \$556

### LANGLEY

the 'where' of BMW The reasons why:

78 320A Golf, Yellow. Tint. Sunroof.
78 323 Silver. Tint. LSD. Radio/Stereo.
78 323 Olive Green met. Tint. Sunroof.
78 323 Olive Green met. Tint. Sunroof. Radio/Stereo.
78 5281A Silver met. Tint. Elec. windows and roof. Central locking. Rear Headrests.
77 3.051 ice Green met. Tint. Elec. windows. Air Cond. Mahla Alloy Wheels.
77 728A Dark Blue met. Tint. Central locking. Alloy Wheels. Radio/Stereo.
78 733A Black. Elec Tinted Windows. Air Cond. Alloy Wheels. Radio/Stereo.
78 733A Black. Elec Tinted Windows. Air Cond. Alloy Wheels.
78 Porsche 9115C Sport. Met. Blue. Sportpack.
8 Porsche 9115C Sport. Met. Blue. Sportpack.
8 20 - 7 00 pm. Week Cday.

Sunday 10.30 - 1.30. And 8.30 - 7.00 pm weekdays Langley Portsmouth Road Thames Ditton Tel: 398 3435

Ian Anthony quality used cars. Featuring Porsche, BMW and a selection of hand picked, high performance vehicles. All high in stature, low in mileage. And all meticulously serviced and valeted by factory trained personnel prior to delivery. Here's this week's register.

POP\$CHE 88 lan Anthony Sales (Knutsford) Limited, King Street. Knutsford, Cheshire. Tel: 0565 52737

New 924 Lux 4 or 5 speed manual or auto for early delivery in the North West.

1979 Model 928 Automatic, Black with Black/White velours, all usual equipment, near side mirror, 4,000 miles, sold and

1978 911 SC Sport Targa, Petrol Blue with Cork interior, only 6,000 miles, a fine example.

1978 917 SC Sport Coupe. Grand Prix White, Black pinstripe interior, fitted with many extras including air conditioning, four-speaker radio, front and rear foglights, nearside electric mirror. Porsche side lettering and only 7,000 miles.

Low mileage, late model Porches urgently required

Ian Anthony (Sales) Limited. Glaessner House, Walmersley Road, Bury Tel: 061-761 2221/2/3

1979 BMW 323i. Cashmere, Beige interior, manual sun roof, tints, alloys, PAS, pop-out rear side windows, delivery

1978 (T) BMW 520. Chamonix, Blue cloth interior, PAS, tinted glass, radio, electric aerial, 5.000 miles only. 1979 MERCEDES 450 SEL. Astral Silver. Black leather, electric

sun roof, air conditioning, stereo, 1,000 miles only. 1979 MERCEDES 350 SE. Bright Red. Black check cloth interior. electric sun roof, electric windows, stereo, C. lock, delivery

milezge. 1977 (5) MERCEDES 280 CE, English Red, Parchment check interior, electric windows, stereo, air conditioning, wash/

wipe, 11,000 miles only, full history. New FERRARI 308 GT4. Rosso Chiaro, air conditioning. wide FERRARI 308 GTB. Blue Metallic, air conditioning, wide

#### DAIMLER VANDEN PLAS 4.2 1975 (September) with natural leather, auto, PAS, all VIP refine-

wheels, front spoiler.

ments, incl. air conditioning, tinted lectric windows, chrome wheels. centre locking, radio/stereo etc. Works maintained, chauffeur driven. 31,000 only. £5,750. GRANADA 2,8 GHIA 1978 (March). Mid blue with matching valour interior, 2010, PAS and

all Ghia refinements incl. sun roof, tinted electric windows, alloy wheels, radio/tape etc. 12,600 only. Quite as new and probably unre-

punkt radio/stereo, spot/log lights. 13,700 only. Coating £7,700 today. This car is as new. £5,450. peetable at £5,750.

The above cars are company executive sales. Terms/Leasing facilities could be arranged for prospective purchaser. All cars are offered for any trial and examination.

Please contact:

Mr. Buxton - Tel: (0283) 219183

Office Hours

#### LONDON SPORTS CAR CENTRE LTD.

New CADILLAC SEVILLE (78 model). Pletinum, burgundy leather trim. The Cadillac journey computer, chrome w/w and power front seats have been added to the outstanding standard specification. E14,000 1978 CADILLAC SEVILLE (T-reg.). Black, red leather trim, specification

Black, red lasther trim, specific as above. Our director's 9,000 only. £12,500

1977 CADILLAC SEVILLE (T.reg.). Metallic blue with blue velour trim and vinyl root. Superb specification including power seats. 2.000 miles. £10,000

New CHEVROLET CAPRICE ESTATE.
Choice of two 9-seater versions.
Both with air-conditioning, electric windows and door locks, cruiss control, etc., etc. £9,250
Also choice of four seloon versions, Prices begin at £8,000. Why wait 18 months for a Range Rover. Unregistered 1977 model

Chevrolet Blazer 4-wheel drive escare/pick-up, Finished in black. 4-speed high and low range gears. Unrepeatable opportunity £7.450. 1978 PONTIAC FIREBIRD TRANS-AM Metallic blue, white trim. Supplied and serviced by us from new. £8.250

High Street, Edgware, Middx. Tel: 01-952 5171.

### OF MILL HILL

MERCEDES 280E

1977 (Lastest Model). Light blue.

dark blue trim, auto. PAS, tintad

glass, electric windows, power sun

roof, centre locking, hrw. radio/

sterso and other options. 22,000

only. Virtually unmarked, as new

AUDIO 100-GL-5E

1976 (Feb.). Dark metallic green

with beige valour, auto, PAS, fuel

injection, tinted windows, Blau-

throughout. £9,460.

Lease your BMW the Milcars way A selection of used BMV/s 1979 733î Chamonix white, blue cloth interior. Central focking, untsid gless, elec-tric windows. Radio/cessette. From £78.85 per week

1977 633 CS; AUTOMATIC Polaris metallic silver, black interior, air conditioning, radio/cassette From £77.85 per week

1976 528 AUTOMATIC Fjord metallic blue, cloth interior, manual sunroof, tinted glass From £34.73 per week

1977 528 AUTOMATIC Reseda metallic green and interior, tinted glass, radio/stereo cassette. ond.. pre-heater, wash/wips From £45,50 per week 1976 320 AUTOMATIC

nea orange, black cloth interior inted glass, menual sunroof.
From E24.85 per week
The above figures are gross and
subject to all tax concessions and
the above cars can also be
purchased for cash 16/18 Hale Lane, Mill Hill, London, NW7. Tel: 01-953 6961.

INTERCEPTOR III required Low mileage, saloon or con-Telephone 0742 584656. BAW 320:6, Oct. 78. Metallic arctic blue.
tinted glass, stereo cassette, radio, eter-tric zerlal, two mirrors, 7,500 miles, immaculato. Going abroad, must sell, £6,300. Tel. 653 4126.

RANGE ROVER 79. Del. mikesee. PAS. tints. £10,995. Turbo charging and automatic gearbox. 01-247 8341. MARKS REGISTRATION

£195 £250 £250 £695 £750 £695 £195 JA 777 £195 JL 111 £275 JF 12 £395 86 2 NT £1 295 SUT 19 £2,295 SAT 56 £1,295 39 BRK £875 CAT 5 K £995 286 D £2,395 SAT 56 £1,950 SL 867 £225 SN 43 £425 SGG 7 £350 TWM 88 £650 27 TEH £220 YAW 1 £1.150 5 £80 HLD £329 35 NO £250 1111 MF £180 3333 PP T PEA RDM 1 STR 1 THN 1 £1.795 £250 £170 £1.995 711 F £1.650 111 FCG £695 PVK T £1,875 RDM 110

Tel: Hull (0482) 25363/27070—dayzima; Hull 658206/658232—eves./Sunday. P.O. Box 99, Huli HU1 3EZ.

### TOM HARTLEYJNR

ROLLS-ROYCE & MERCEDES. SPECIALISTS

Rolls Royce and Mercedes specialists

79 T Rolls-Royce Mk II tic Waite. Blue interior. Deliv rage.

79 T Mercedes 450 SEL
Metalife Silver, Black leather.
Electric sliding roof Alloy wneels.
P.D.M. L.S.D. cite Delivery Mileage.
LT2, 250 79 T Mercedes 450 SLC

Velour upholstery. Air conditioning.
Alloy wheels. Electric sunraol.
Cruise control, etc.
129,950 f29,950 79 T Mercedes 350 SL Alloy wheels. Maple Yellow. Alloy wheels. Electric linted windows , Radio/cassella. P.D.M. D.M. 120,500

79 T Mercedes 350 SE Metallic Red Parchment interior.
Electric sunroot. P.D.M. Reer
ead restraints. L.S.D., etc. D.M.

77.T Mercedes 280 SE
Fire Engine Red. Parchment interior.
Electric sunrool. Electric tinted windows, Headlamp wash/wipe, Rear head restraints. Radio/ cassetto. D.M. C16.950

C16.950
7.9 T Mercedes 280 SE
Medium Reu. Parchinon interior.
Efectific survool Electric inted
windows P.D.M., D.M.,
C16.250 79 T Mercedes 230
Electric suprool D.M.
£9:950

79 T 200 P.A.S. Central locking. D.M. 02,475 79 T Aston Martin Volante

Green: Magnotia interior. Delivery mileate. P.O.A.

79 T Porsche 911 SC Sport Coupe Minerva Blue. Cork interior.

4-speaker Radio/cassette. Blue spot. Electric sunroof, etc. D.M.

18 950

79 T Range Rover
Bahama Gold Option pack. Power
steering. Radio. D M. 79 T Jaguar Series III
White, Biscuit Interior. D.M.
Ligr price

OPEN 7 DAYS A WEEK Saturday & Sunday 10 am-4 pm Tel: BLACKPOOL (0253) 24745 Evenings (0253) 854092

Vary low mileage motor cars of outstanding quality. Pre-SD1 Rover 3500s and Jaguar 4.2s ROYERS

ROYERS

Rover 3500 VIP Automatic

Power, steering, 1975 (P). One of
150 built by Rover. Platinum/Huntstnan velour. Air conditioning. Tinted
glass. Rear seet belts. Spate wheel
mounting Radio. 1 owner. Full
history, 15,000 miles. Rover 3500 (pre-SDI) Automatic Power steering, 1977 (R). Richeleau/ sandlewood nylon. Radio. 1 owner. 10,000 miles.

Rover 3500 S (pre-SDI) 1975 (N) Monza rad buckskin nylon Denovo tyres. Fril history 9,000 miles. Rover 3500 (pre-SDI) Automatic Fower strering. 1975 (N). Paprika/ bronze hide. 'S' hub ceps. 17,000

Rover 3500 SDI Automatic 1977 (R). White/nutmeg velour. Radio casatté, Full service history. 13,000 miles.

JAGUARS
Jaguar 4.2 Coupe 1978 (S)
Squadron blue/biscuit hide. Radio
stereo cassette. Electric aerial.
owner. Service history. 7,000 miles owner. Service history, 7,000 miles. Jaguar 4,2 Saloon 1975 (N)
Seble/olive hide. Radio and electric serial. Twin remore control door mirrors. Jowner. Full service history, 18,000 miles. lory, 18,000 miles, iuller details of these cars and their histories, please phona 01-330 4990.

Frans Friens Tax based leasing and hire purchase lecilities. Any new car supplied quickly. Full service and accident repair workshop 01-330 2900.

BUY or LEASE Quality Cars from the COLT Stable 1400 GLX . CELESTE SIMCA . SAPPORO

SIMCA COLT-ALTRINCHAM Navigation Road, Altrincham 061-928 1307

Arden & Bull Consult us for your Quality Car Buy or Lease

ROVER TRIUMPH Altrincham 16 Stockport Rd. 061-928 7010 155 Stockport Rd. 061-980 2212

1-3 Church Street 061-928 2652 CHERISHED NUMBER

#### 1 KMC our 1975 GRANADA GHIA is

. being sold with therished number, £4,000 o.n.o. Phone the Transport Manager on Rochdale 47127 business hours.

#### BENTLEY S3 1965

Chassis number 8350HN ₽7,000

Inspection invited, in Oxfordshire: Home telephone number: Ramsden (0993 86) 384

MERCEDES 450 SEL, 1977. "S" reg d. 22.000. metallic brown, velour aphol-stery, refrigeration, allow wheels, radiol cassette, electric roof. Managing directors car. Immaguiate. £17.600. Tel. 274.582267 office hours. 0.74.591103 after. P0RSCHE 928. Brand new, delivery milegge only. Silver metallic, automatic. all evitas. plus passenger door mirror: £24.959 a.n.g., 01-235 9092.

WANTED URGENTLY BMW and MERCEDES BENZ ato low mileage examples niv. Absolutely too rices paid.

Exceptional leasing terms BMW

1978 Series 535. Polarisible hide. elec. 5:7007 and door mirrars. wiwipe, radioistereo, 7:000 mites. 1978 Alpina 533. Silveribles velour. Full specification localization back 7:ni.8th. w heels with P7 tyres, air cond., elec. 3:rool. etc., 1978 (T) 533 Auto. Blackred hide. 1978 (T) 633 Auto. Blackred hide. air cond., twin elec. mirrors. wiwipe. radio; stereo. 8,300 miles. wiwhoe radio/stereo. 8,000 mies. £15.950. 1977 (S) 633 Auto. Polaris:blue air cond. radio/stereo. 11,000 miles. £13.950. 1978 (T) 7331 Auto. White;blue velour, metal sirgol. elec. windows. alloy wheels, radio. 5,000 miles. £13.950. velour, metal sirgol, elec, windows, alloy wheels, radio, 5.000 miles. 133,950.
1978 7331 Aulo. Reseda green bring velour, elec. 5-roof, central wheels, elec, windows radioisteres. 8.000 kilometres. Left hand drive. 511,950.
1978 7331 Auto. Artiti blue grev velour, elec. windows. 11,000 miles. £12,950.
1978 55eries 730 Auto. Polarit. silveriblue velour, metal sun roof, central bocking, radioisteres. 14,000 miles. £11,550.
1979 528 Mangal. Met ruby grey velour. 28 Mangal. Met ruby grey velour. 1978 528 Mangal. Met suby grey velour. 1979 528 Mangal. Met suby grey velour. 1979 528 Mangal. Met suby grey velour. 29,000 miles. £11,000 miles. £11,000 miles. £11,000 miles. £11,000 miles. £11,000 miles. £11,000 miles. £10,000 miles. £10,000

14.000 miles. £11.650.

1979 528 Mannal. Met ruby'grey velour. r:glass. c'iocking. bwin clec. mirrors. 2.000 miles. £10.995.

1978 (Series T Reg'd) 728 Auto. Flord blue/blue velour. eloc. s. rot. figlass. c'iocking. Appina wheels. £1977 (S) 3.01.40. Metallic bonal belge velour. metal stroof. Alpina wheels. r'glass. radio. 14.000 miles. £7.950.

1977 3.01.40. Flord blue'grey velour. t glass. radio. 14.000 miles. £7.950.

1977 5.01.41. Flord blue'grey velour. t glass. radio. 14.000 miles. £7.950.

1977 5.281 Manual. Met. blue'grey velour. netal stroof. 16lass. allow wheels. radio-stereo. 10.000 miles. £9.995.

1978 (Series) 5281 Auto. 1970 (Series) 5281 Auto. Anazonito:black velour. (glass. 1970 (Series) 5281 Auto. Anazonito:black velour. 40lass. 1977 (Series) 6.650. Anazonito:black velour. 40lass. 1978 (T) 520/6. Polaris/boige velour. PAS. metal stroof. tiglass, radio stereo. etc. 4.000 miles. £2.450. 1978 (T) 520/6. Polaris/boige velour. PAS. elec. stroof tiglass, radio stereo. etc. 5.000 miles. £1.7950 1978 (T) 520/6. Muto. Florer blue velour. PAS. elec. stroof tiglass, radio stereo. etc. 5.000 miles. £3.100. 1978 (T) 520/6. Muto. Florer blue velour. PAS. elec. stroof tiglass, radio stereo. etc. 5.000 miles. £3.100. 1978 (T) 520/6. Muto. Florer blue velour. PAS. elec. stroof tiglass, radio stereo. etc. 5.000 miles. £3.100 m

helpe velour, rabio.
5, 895
1979 3231. Choice Reseda or
Karhimer. Both very high specification, and nominal mileage. From Rathimer. Both very high specifica-tion and nominal mileage. From £2.495 1978 (T) \$25i. Flord biselorev velour. metal stroof and 1 takes, allow wheels. 4.000 miles. £7.995. 1978 (T & 5) \$20'6 Auto. Choice of A. Low mileage. from £5.150. 1978 (T & 5) \$20'6 Manual. Choice of 4, low mileage. from £5.895

MERCEDES-BENZ 1979 450 SEL 6.9, Milan brown bambood velour. Full specification. C. 1.000 miles. List price. 1979 450 SEC. Choice of metallic line air cond. clec. 3:roof, affew wheels, radio. Stereb. etc. Delivery mileage.

165 HUNTINGDON STREET Tel: Nottingham (0602) 582831

sunroal £12,250.

1975 450 SLC. White. red leather, air cond., 20.000 miles. £17.250. 1977 350 SE. Metallic sil-1976 350 SE. Met. silver. blue cicth. sunroal tinted glass, rad cassette. £12.750

1976 230 W123, Mimosa, moss green cloth, 26,000 miles, £9,750. 1978 250 LWB, White, black cloth, auto... PAS, 8,000 miles. £12,250, 1977 280 E. Cayenne orange, black cloth sun roof, alloy wheels, £10,500 1977 258, White black (aterior, surror; finted plass, radio, £5.950.

1977 NOVEMBER 240D. White manual gearbox. \$6.950. 1976 306D Mercedes Autobaha Motorhome, fully quipped indee shower etc. 19.000 miles. £7,500.

Choice of diesels from All cars are fitted with

automatic transmission and PAS unless citer-wise stated and are covered by our 12 month guarantee **WOKING**  11

MOTORS ESHER ROAD. WALTON ON THAMES:

TEL WALTON ON THAMES 28811

### CITROEN CX

PRESTIGE IMMEDIATE DELIVERY ON THIS VERY FINE CAR.

Write or phone For Normans Leasing Facilities NOW NORMANS 91-95 FULHAM ROAD LONDON, SW3 Tel: 01-584 8441.

CITROENA

### 1979 MERCEDES 280 SEL

5.000 miles, metallic silver, blue interior, air conditioned, electric sun roof, electric windows, Becker Mexico stereo radio/ cassette, central locking, cruise control. level adjustment, four headrests, outside mirrors, magnificent car with extra backseat legroom.

> PRIVATE SALE £16,900 Phone Home: 994 0967 Business: 629 1076

FOR SALE ROLLS-ROYCE 1973 SILYER SHADOW

Particulars to view W. J. C. REED & SONS Solicitors Laurencekirk 056-17-245

New condition. £17,650.

### WADHAM STRINGER

### ROLLS-ROYCE

Official Distributors for Rolls-Royce and Behtley.

<u>図</u>図 H.A.FQX 34 Dover Street, London, Tel. 01-499 8962 1976 Aug. Rolls-Royce Silver Shadow Saloon. Regency

£26,500 24.000 miles. 1976 May Rolls-Royce Silver Shadow Saloon. Silver Mink, Dark Blue leather. Speedometer reading 15,000 miles. 1976 Feb. Rolls-Royce Silver Shadow Saloon. Flewter,

Bronze, Dark Brown leather. Speedometer reading

1976 Jan. Rolls-Royce Silver Shadow Saloon. Walnut, Beige leather. Speedometer reading 41,000 miles.

1974 Apr. Rolls-Royce Silver Shadow Saloon. Regency 1974 Apr. Rolls-Royce Silver Snauow Salota. 1250-1580 Bronze, Red leather. Speedometer reading 45,000 E21,950 miles, 1973 May Rolls-Royce Silver Shadow Saloon. Black over Walnut. Black leather, electric sliding sunroof. Speedometer reading 38,600 miles. £18,950 1973 May Rolls-Royce Silver Shadow Saloon. Caribban Blue, Dark Blue Everfiex roof, Magnolia leather.
Sneedometer reading 56,700 miles. Speedometer reading 56,700 miles.

1973 May Rolls-Royce Silver Shadow Saloon. Walnut, Beige Everflex roof, Beige leather. Speedometer reading 59,000 miles. £17,950 1971 Oct. Rolls-Royce Silver Shadow Saloon. Deep Indigo Blue, Black Everflex roof, Dark Blue leather. Speedometer reading 65,500 miles. £14,950

1971 July Rolls-Royce Silver Shadow Saloon. Shell Grey, Seychelles Blue roof, Blue leather. Speedometer reading 73,150 miles. reading 73,150 miles. **GUILDFORD** 

Woodbridge Road, Guildtord, Surrey. Tel. 69231.Tk. 859255 1979 Apr. Rolls-Royce Silver Shadow II finished in Mediterranean Blue with Beige hide upholstery. Delivery mileage.

in Silver Chalice with Blue hide throughout and Dark Blue hood, 350 miles. 1975 Mar. Rolls-Royce Silver Shadow in Peacock Blue with Beige hide interior. Two owners, 33,000 miles. Excellent condition.

1978 Sept. Rolls-Royce Corniche Convertible finished

1971 Aug. Rolls-Royce Silver Shadow in Dark Blue with Black hide and Magnolia Everflex roof. 63,000 miles.

**FOLLS TORQUAY** Lisburne Square, Torquay. Tel. (0803) 24321

1975 Jan. Rolls-Royce Corniche 2-door Saloon finished in Silver Chalice with a Black Everfiex roof and Red upholstery. Speedometer reading 23,750 miles. £38,590 1978 Ang. Rolls-Royce Silver Shadow Series II Saloon finished in Peacock Blue over Porcelain. White with Blue hide upholstery. One owner. Speedometer read-Price on application

1977 Ang. Rolls-Royce Silver Shadow Series II Saloon. Willow Gold, Brown Everflex roof and Beige bide upholstery. Speedometer reading 8,000 miles. Price on application 1977 Feb. Rolls-Royce Silver Shadow Series II Saloon finished in Ivory White with Brown Everflex roof and Brown hide upholstery. Speedometer reading 44,500 miles. Price on application

1974 Aug. Rolls-Royce Silver Shadow Saloon F.A.M. finished in Seychelles Blue with Blue hide upholstery Speedometer reading 61,000 miles. £19,250 £19,250 1972 Oct. Rolls-Royce Silver Shadow Saloon finished in Sand with a Brown Everflex roof and Beige bide

upholstery. Compliant suspension and speedhold. Speedometer reading 58.000 miles. £16.500 1969 Jan. Bentley T Series Saloon finished in Shell Grey with Red hide upholstery. One owner. Speedometer reading 33,000 miles. £15.500

SOUTHAMPTON

The Avenue, Southampton. Tel. (0703) 28811 1975 Jan. Silver Shadow. Pewter over Moorland, Light Grey trim. Quadraphonic 8-track/radio, speed control. refrigeration, flared arch model. Full service history. supplied by us. Speedometer reading 29,668, £25,000 1973 May Silver Shadow. Black over Garnet, Beige trim. 8-track stereo, 5-push-button radio, refrigeration. Speedometer reading 52,872.

For that special car—

Some special finance.
A comprehensive range of leasing packages is available from WADHAM STRINGER LEASING

Waterlooville (07014) 61221 Other Quality Cars

SOUTHAMPTON
The Avenue, Southampton. Tel. (0703) 28811

1977 Vanden Plas 4.2. Coral/Beige leather trim. Air-conditioning £11,500 conditioning. 1976 Jaguar 4.2 finished in Signal Red with Black cloth trim. Air-conditioning, radio/8-track player. MUST BE SEEN. £6,695 1978 Jaguar 4.2 Auto finished in Old English White with Biscuit interior. 5-push-button radio, electric acrial. Speedometer reading 6,500. £9,750 1975 Jaguar 4.2 Saloon finished in Lavender with matching Dark Blue leather trim, Radio, air-

conditioning. WADHAM STRINGER

Dincoln Street CARS OF QUALITY GROUP AND DISTINCTION

Rolls-Royce Silver Shadow, windows, 49,000 rec. miles, 1978. T Reg., wash. wrote model, 2,000 miles. Walnut ... £38,950 Panther De Ville. Two-tone gold Rolls-Royce Silver Shadow, Interior, Magnificent £37,950 Panther De Ville. Two-tone gold Rolls-Royce Silver Shadow, Interior, Magnificent £37,950 Piper metallic, units, touther rim. 11,000 miles ... £13,498 1974 N Reg., black with be 9s Porsche 928 Aurto. 1 reg Silver hide ... £21,950 metallic, 3,000 miles. Manufacs. Bentley T Type, 1987, Tudo: warranty ... £23,950 Bentley T Type, 1987, Tudo, wearanty E23,950 grey metallic, with red hide. Porache 911 Carrera 3-litre Sport personalised number, outstand. Targa. Met Silver, low mileage. ing condition E9,750 Excellent £13,999 Mercades 450 SLC, 1977, White coachwork. Excellent through, out £13,999 Mercades-Benz 350 SLC, 1973, Registered 1977 (5), Dark Blue, gold met., black leather, elec. 8,000 miles £18,550

SUMMER HILL ROAD SPRING HILL BIRMINGHAM I

TEL:021-233 2651

1976 ROLLS-ROYCE SILVER SHADOW Caribbean Blue with Dark Blue Everflex roof, and Beige Interior, recorded mileage: 12.350 ............ £28.000 1975 ROLLS-ROYCE SILVER SHADOW Peacock Blue with Beige interior, recorded mile-₹26,900

age: 27.100 ......

1976 ROLLS-ROYCE CORNICHE Walnut over Willow with Beige interior, recorded mileage: 27,000 .....

Phone:

Paul Greenfield 021-327-3591

1979 ROLLS-ROYCE Silver Wrath II. delivery milesge many extrats. Fabulous colour and specification. £48.950. Part exchange considered. 0208 4551.

RANGE ROYER, 5 req., immedulate condition. 18,000 miles. Sahara Dust dition. 18,000 miles. Sahara Dust exchange considered. 0208 4551.

Bottisfield 226 (Salop).

0902 42541/2/3 Telex 33614 0902 42541/2/3 overhauled and in excellent condition
STRIP FLATTEN AND CUT-TO-LENGTH LINE Telex 336414 0902 42541/2/3 Telex 336414

0902 42541/2/3 0902 42541/2/3

0902 42541/2/3 Telex 336414

0902 42541/2/3

0902 42541/2/3

0902 42541/2/3 Telex 336414

0902 42541/2/3 Telex 336414

0902 42541/2/3

0902 42541/2/3

0902 42541/2/3

0902 42541/2/3

0902 42541/2/3

0902-42541/2/3

0902 42541/2/3

0902 42541/2/3

0902 42541/2/3

0902 42541/2/3 Telex 336414

0902 4254 2/3 Telex 3364 14

01-928 £131

01-928-8131

01-928.3131

01-928 3131

01 928 3131

01-928 3131

01-928 3131

01-928 3131

01-928 3131

01-928 3131

Ø1-928 3131

01-928 3131

01-928 3131

W: F. JOHNSTONE & COMPANY

LIMITE

Moberti Natur. South Africa. Lendon Transfer Secretaries: Hill Samuel Replatrars Limited. 6. Greencost Place. Loneon. SWY 191. 27th April. 1929.

PUBLIC NOTICE

E. SUSSEX C.C. BILLS

The amount of bills assed on 25th April. 1979 was £2,000,000 at an average rate of 11.414% and not £1,000,000 as previously stated.

CLASSIFIED

**ADVERTISEMENT** 

RATES

Commercial & Industrial

Residential Property.

Opportunities. Corporation Loans.

Education, Motors,

Hotels and Travel

Book Publishers

Production Capacity.

Businesses for Sale/

Contracts & Tenders.

Premium positions available

(Minimum size 40 column cms.)

For further datails write to:

Manager,

Financial Times,

Personal, Gardening

Property

Wanted

Appointments

Single

¢m.

£

16.00

9.50

15.00

Per column

6,25 19.00

5,00 15.00

3.00

12,00

8.00

line

2,30

5.30

(Incorporated in the soublic of South Africs)

Telex 336414

Telex 336414

Telex 33641

Telex 336414

Telex 336414

Telex 336414

Telex 336414

Telex 336414

Telex 336414

0902 4254172/3 Telex 336414 0902 42541/2/3 Telex 336414 BAR AND TUBE REELING & STRAIGHTENING 0902 42541/2/3 Telex 336414

block (1968)

DIE 1,750 ft/min SLIP TYPE ROD DRAWING

÷ - :

pressure
TYPE 1000F CINCINNATI PLATE SHEAR

Twin recoilers and 350 h.p. drive
HERDIECKERHOFF 100 KW YACUUM
HEAT TREATMENT FURNACE complete with 4 cooling station, vacuum pump and

Marshall Richards, available with 30 die sets, max. capacity 24 mm bar, 57 mm tube 9 DIE WIRE DRAWING MACHINE, cone type

1500 TON CLEARING D A PRESS Bed 180" x 96"
200 TON VICKERS CLEARING PRESS
Bed 36in x 40 in Air Clutch & Brakes as new
200 TON SCHULER HIGH SPEED PRESS 200 spm

01-928 3131 01-928 3131 01-928 3131 01-928 313 01-928 3131 01-928 3131 01-928 3131 01-928 3131

The Ordinary General Meeting will be held at The Exchange in Copenhagen (Siotshoimspace, entrance B) on Tauraday the 17th May, 1979, at 3 p.m.

1. Report of the Company's business during the past year.

2. Presentation of the audited Accounts and Group Accounts and Loss Accounts and Balance Steet and Loss Account and Balance Steet Birectors and the Board of the Company of the Board of Stribellon of profit or divided.

Act.

7. Election to the Board of Directors.

8. Election of two Auditors for the current year.

In order to adopt the proposals under lines 5 and 6 k is decision year.

In order to adopt the proposals under lines 5 and 6 k is decision year.

In order to adopt the proposals under lines 5 and 6 k is decision year.

In the Article 15 the Articles of the Association that not less than one-lourth association that not less than the chirds of the words can all less than the chirds of the words can all less than the chirds of the words can all less than the chirds of the words can all less than the chirds of the words can all less than the chirds of the words can all less than the chirds of the words can all less than the chirds of the words can be sufficiently if the amount of the same works and qualified majority. The adoption meding of the many some of the same capital resardiers of the amount of share capital resardiers of the amount of share capital resardiers of the amount of share capital resardiers of the amount of that parosale misting comeand for that parosale mitted to the General Meeting. Eroom the 1st May peach to be submitted to the General Meeting, the special with the Company affect is hardwooders at the Auditors' Report will be open and the Company's caffect is hardwooders' at the Company's resister of shareholders in the Company's resister of shareholders in the Company's call office not later than five days before the general meeting on shareholder around the company's resister of shareholders. S. St. Helen's Place, no later than the days before the general meeting on shareholders around the company and their right as scand areacondarce with Articles of Association.

The GREAT HEROOT DENMARK

Classified Advertisement 10, Cannon Street, EC4P 4BY

COMPANY NOTICES THE GREAT NORTHERN TELEGRAPH COMPANY LIMITED OF DENMARK

Interim Ordinary Dividend of fourteen per cent ecolvalent to seven cents per stare (1978 fix per cent three cents per share) was declared on 25th April 1979 payable to Ordinary shareholders registered in the books of Combany at class of bushness on 19th May 1979. Dividend declared in currency of Republic of South Airica and warrants in payment will be posted to shareholders in gayment will be june 1979. In terms of Income 7ac Airica and resident fix of the fitten per cent will be deducted from dividents due to shareholders whose additions due to shareholders are additionally the fitten posted to the shareholders and register of Members with the classed from and Register of Members with the classed from May 1979 to Bth Jame 1979, both dates inclusive.

By Order of the Sparil, Registered Others

Proposed for distribution of principle part thankell year, and therefore of distribution of dividend. The thankel year, and therefore of dividend to the Bazer that the share canital be increased from kr.100.8 mill. 155.5 mill. 5 kr.135.5s mill. 155.5 mill. 5 kr.135.5s mill. 155.5 mill. 15 kr.135.5s mill. 155.5 mill. 15 kr.135.5s mill.

shares will participate in one service dividual for the accounting year 1979.
Shareholders whose holdings of shares do not allow allotment of bonus haves in the coast proportion above may either services their shares or buy supplementary to their shares or buy supplementary bonus rights. but the supplementary bonus rights. but the supplementary bonus rights. but the proposed of new shares to be subscribed by the Board of Directors and down by the Board of Directors and the supplementary by the Board of Directors and the supplementary of the suppleme

£1.50 per single column cm. extra

#### DATA PROCESSING

### **Assists control of** projects

A RANGE of services which niques developed by Scicon could greatly improve decisionmaking and control for many financial controllers to planners and project foremen, is avail. H Pert is a ficable method of able at the Scieon Computer project planning capable of handling virtually any size of Services bureau at Milton

Projects involving only a few viously has been used excluusing the bureau.

Three systems are available-Multinet, K and H Pert and inug 80.000 man-hours, giving Gospel, which between them an annual saving of more than cover most of the different types £100,000. of project planning and control Multinet is based on tech- 0908 565656.

terminal designed to help large

for the IBM 360 and similar

independently to create, edit

workstation

technical director, Professor Martin Beale-a world authority on malhematical programming. levels of management from It is designed to control small to medium-sized projects. K and Finally Gospel, which pre-

hundred activities or tens of sively by BP, not only provides thousands can be handled using information for senior managethe systems and Scicon perment but, by extending the in-sonnel can provide back-up skill formation, can produce reports and experience to help com- and even job cards to help fore-panies implement projects men control their work. Gospel has already been successfully used to control a project involv-

Brick Close, Kiln Farm, Milton Keynes, MK11 3ET.

computer transmits it to the



### Four Phase Systems is a display fied with his project the Four patents

THE British Library is seeking

on the subject of what might

central national document and

information service—in which on-line terminals and facsimile

transmission equipment might

play a part-and the methodical

improvement of existing arange-

ments, felt in some quarters to

Library decides on action it can

consider the views of all interested parties. Closing date

Copies of the document from

BL at 25 Southampton Build-

The paper has been published

that, before the British

programming establishments iBM host for compilation and the views of interested organidevelop and maintain programs execution. sations on its patent document During development the propolicy, prompted mainly by the small use made of the 13 patent dachines. grammer can create edit.
Using software originally modify, print and delete source depository libraries outside London and the Lim cost of developed by Boeing, the pro- program files locally without is using the mainframe. These maintaining them. intended to increase efficiency local files are maintained on a Consequently, a BL consultaby eliminating waiting time for large 67 megabyte disc and can on-line terminals and queues for be reviewed, modified and retive paper has been prepared

keypunching. Each of up to named if necessary before sendhappen outside London. Among the options are withdrawal of 16 of the stations can be used ing to the host. More from 37, High Street, the deposit arrangements in the and store source programs Marlow, Bucks SLT IAU locally, (06284 71921). provinces, the construction of a

### Designed for small firms

Aids the programmer

microcomputer-based addition in its Commercial System (CS) family. The CS/30 uses an turers and distributors for cominteractive version of the Cobol programming language, comes range to perform typical in two models and can have up occounting functions such as to three display terminals.

20m bytes of information and employees, or as part of a distri- (01-572 7455).

DATA GENERAL has a new buted processing network. CS/30 systems can be casily developed by systems manufacpanies in the £500,000-£21m both can maintain more than able/payable, and payroll.

Hounslow Data General, are intended for use by the House. 724, London Road, ings, Chancery Lane, London smaller company with up to 50 Hounslow. Middlesex TW3 1PD WC2A 1AW (01-405 8721 ext. smaller company with up to 50 Hounslow. Middlesex TW3 1PD



This large shot blast and surface treatment

facility has been opened at Southampton by

Hifit Engineering. The plant, which can handle loads up to 16 ft x 16 ft x 120 ft long is equipped with blast and spray rooms.

which offer 24,000 cu ft areas fully equipped ..

with the latest shot and grit blast machines

### Warns of oil spills

AGA Navigation Aids reports trigger the change over to the that simple modifications can new code which will be locally be made to the signal light and sound systems of single point mooring buoys used in the of it. offshore industry to give warn-

ing of possible oil spillages. systems can now be made to waterproof and flameproof generate an additional set of enclosures with a service life signal codes (flashing light and of one year. sound emissions).

In the event of a ruptured Beacon Works. Brentford, pipe or anything else causing Middlesex TWS QAB (01-560 a pressure drop, sensors will 6465).

radar transponder systems can Control electronics of the be mounted with batteries in

understood to indicate loss of

oil into the sea, or the prospect

Complete light, sound and

and paint and metal spraying equipment where almost any structure or fabrication

which is transportable by road or rail can

he stripped to the bare metal and treated against corrosion. The Hifit site is located

at Southampton Airport close to Eastleigh Station.

More from the company at

### • SECURITY.

### **Detection of explosives**

LATEST portable device for the emplosives such as dynamite detection of explosives, the and gelignite. Model 35 from A1 Security, London Road, Pampisford, Cambridge CB3 4EF (0223 834420) thing is detected an LED lamp measures only 380 x 220 x flashes; this is visible only to 100 mm and weighs 400 grams the operator, for discreet (under one pound).

which the ions present in the alarm. vapours emitted by explosives modify an electrical circuit, the through materials and clothing. tained in an attache case.

Use requires no more than

switching on followed by a simple adjustment and if anyexamination, or can if desirable Using an ion drift detector in he accompanied by an audible

Instrument, disposable nine volt batteries, search probe, instrument responds within one detector check sample, spares second and can pinpoint, kit and instructions are con-

### Sure of a safe switch-on

INCREASING AUTOMATION operate directly with counters, of industrial machinery and relays, solonoids, 24-volt logic. processes has highlighted weak-Company offers two basic nesses in a small but widely types of proxistor—inductive used important component—the and capacitive. The former will mechanical limit switch—says detect metallic objects entering Setpoint, Ingate Place, London, a field generated around the

It has just developed a rationalised range of non-detection field. contacting proximity switches technical dictionary—proxistors.

SW8 (01-720 3961):

COMPONENTS

Advantages of proxistors over mechanical switches, says the company, is that no main-tenance or lubrication is needed and they will go on switching for years-life is independent of number of operations and, even if left unused for years, they will work reliably.

switch by a resonant circuit. In the latter, a circuit is set into oscillation of an object into the

and added a new name to the range of models which vary according to effective range and body style and all the switches can be screw- or clamp-mounted while some have a threaded thousing. Majority of proximity switches

nsed in this country have been produced in Europe (mainly Germany) and America, but, wen if left unused for years, now, announces the company, hey will work reliably.

Faster and free from contact thome market which includes bounce, they will also positively such applications as machine detert the presence of objects tools, process lives, packaging, without physical contact and bottling and filling plants, etc.

### • ELECTRONICS

### Competition in micros

SITE WORK has started on a Eurotechnique is expected to microelectronics plant at manufacture 8 and 16-bit micro-Rousset near Aix-en-Provence processors as well as 16k and where a joint venture company 64k RAMs. But it will not be set up between St. Gobain Pont-Ideveloped by National. It will a lousson and National Semi-be a design centre and be able conductor Corp of the U.S. will be conceine and market its own conductor Corp of the U.S. will to conceive and market its own begin operations under the products. The company will name of Eurotechnique by the have its own marketing departmiddle of next year.

owned, the company is being Europe.
given access to all National's National Semiconductor

ment and establish a sales net-Fifty-one per cent French work throughout France and

knowhow in MOS integrated Europe is at Industriestrasse 10, circuits both current and under D-8080 Fuerstenfeldbruck, West Germany.

### Remote test facility

A 4800 bps data modem from remote modems are likely to Borer Electronics incorporates the at sites manned by terminal a remote test facility allowing appearators unable to initiate test stations at the far end of a percedures, is the ability to line and the line itself to be the central or remote modern, examined from the central site is that the direction of line without without additional test faults can be identified. equipment.

The unit, designated 48 LSI + RT, can perform remote fence of central faults so that, position loads 20 fr above the line and digital looping tests, For example, if a central comremote test pattern generation puter fails the data processing and gives a oroadcast alarm centre is not inundated with Tests can be run in such a ways telephone calls from data entry that faults can be isolated and stations querying the lack of identified with specific lines or response. Particularly useful in multi- Wokingham, Berks. RG11 20L position the boad 16 ft in front oint applications, where (0734783372). remote modems.

In similar configurations the broadcast alarm facility alerts

Atlas Copco compressed air systems. A force put to work for you

### Within each type there is a PROCESSING Makes tiny resin dot

A GROWING requirement in the electrical and electronics in-dustry, where miniaturisation is the rule rather than the exception, is to be able to dispense minute quantities of resin, for sealing or adhesive purposes in items such as microcircuits, capacitors and other smail electrical contact systems According to Liquid Control, of 25 Harcourt Street, Ketter-

ing. Northants NN16 ORR (0836 81491) the appropriate equipment is scarce and the company has therefore introduced an accessory for its Twinflow and Multiflow metering, mixing and dispensing machines. It can also be used with other makes of dispenser. Fitted after the mixing head, it incorporates a miniature positive displacement pump with an accuracy better than 1 per cent of the dispensed viously used a timing device for this purpose, yielding only a tenth of the accuracy. The pump model allows quantities of 5

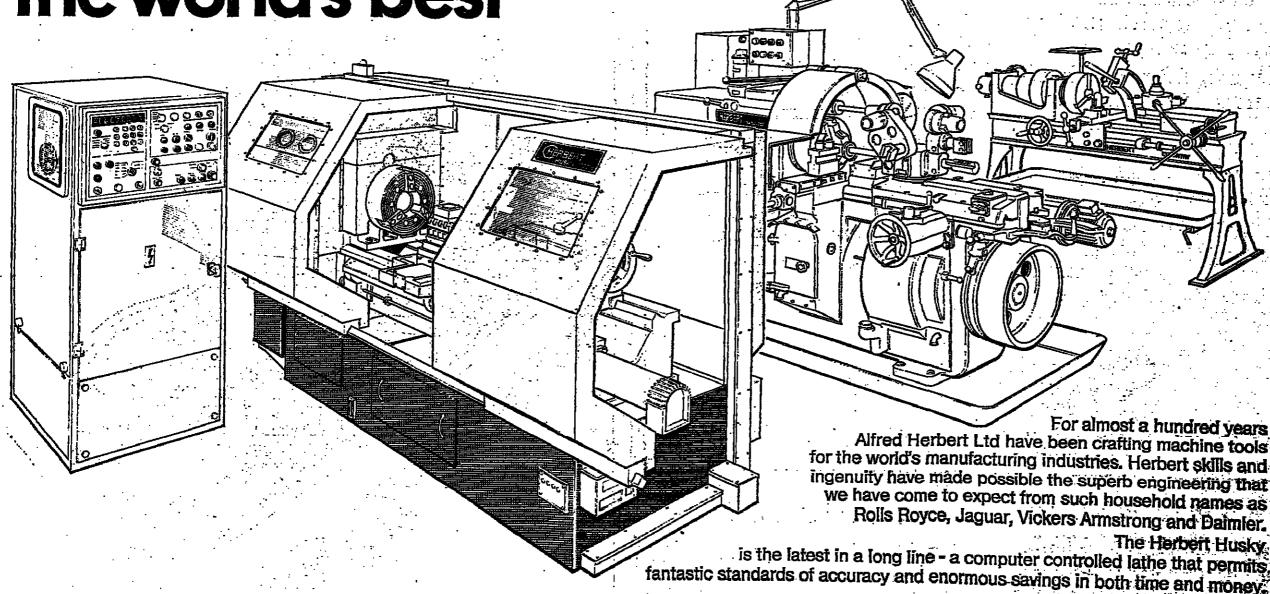
down to 0.1 gram to be accurately dispensed. Volume control is by means of a knurled screw which varies the stroke length of the

### HANDLING Will do the

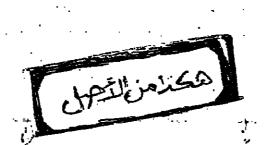
rough work A ROUGH terrain fork lift truck called the Omfort H726 is to be offered for sale or hire by Agent Plant Sales of Lower Station Road, Crayford, Kent. It has bydrostatic transmission and front end stabilisers

which enable the driver to ground level. Powered by a 75 hp air-cooled four wheel drive and will lift up to two tons of material to the maximum height. Using

The Herbert Husky Its heritage makes it the world's best



TY RELIABILITY VERSAT





# Building and Civil Engineering

### Widnell and Trollope in big hotel project

TENDERS ARE to go out in

· HANNEY.

September with a view to Widnell and Trollope, quantity hotel to open early in 1982.

Associated practices of start in January, 1980 and the Associates who is also appointed receiving bids in December for surveyors and construction cost

The project control is being hotel and the other facilities.

Supposite to surveyors and construction cost and the other facilities. a US\$50m 785-room hotel with consultants, have been trollope and Partners and the recreational centre, central conference and other facilities appointed by the Corporation to quantity surveying by Denis laundry and central energy on Cable Beach, Nassau, for provide project control and Hingston, Widnell and Trollope plant which will also serve the Hotel Corporation of the quantity surveying services, of Nassau. Architect for the other hotels owned by the Bahamas.

Construction is expected to project is Robertson Ward corporation in the vicinity.

### Wimpey wins over £11m by-pass and homes contracts

THE DEPARTMENT of Trans- works, together with retaining ing and electrical wiring, in-foundations, drainage, external port has awarded the £8.9m A2 walls and culverts. Canterbury by-pass contract to the civil engineering division of Wimpey Construction.

Contract comprises construction of 8 km of dual two-lane trunk road south of Canterbury, linking Harbledown by-pass (A2) to Bridge by-pass (A2) together with 7 km of slip and side roads.

building of six overbridges, renewal of internal and four underbridges, pedestrian external fabric as necessary, subway, farm underpass and new bathroom and kitchen the erection of 111 dwellings stream diversion drainage equipment, renewal of plumb together with associated stores, completion in October this year.

Work started this week and redecoration throughout. is scheduled for completion in

April, 1981. Nottingham office of the company has won three contracts when completed, will be for Leicester City Council for capable of housing about 800 refurbishing and building of local authority homes at a total ocal authority homes at a total development comprising 136 alue of around £2.4m. dwellings will be partly traditional and partly no-fines convalue of around £2.4m.

a cost of £215,000 on the Braun- struction with a target for Included in the project is the stone Estate involves the internal and

stallation of central heating and Two housing contracts at Hillsborough Road and Windley Road have commenced and, people. At the former site, a

completion at the end of December this year. Windley Road job consists of

works and landscaping. Deve-lopment comprises a variety of flats and houses ranging from one-bedroom flats to fivebedroom three-storey houses Value of these two contracts is about £2.2m.

Second phase of County Properties (Scarborough) warehouse development on the Altens Industrial Estate in Aberdeen has been awarded to building phase one. Valued at just over £200,000, the singlestorey building is scheduled for

### £22m assigned to Mears

OVER £22m of uncompleted well as most of its staff." contracts previously undertaken by Mears Construction have its activities in the UK, retainbeen assigned to the new Mears ing its headquarters at Dorcan tion are very vulnerable. It is

formerly managing director of Neots and the Wirral, with plant to weather the cyclical storms Mears Construction, told the depots at Crayford and Financial Times: "Most of the Eastleigh. existing contracts have been Mr. Bale said that the comof the Nuttall Group, of which and building.

Mears is now part, that the "I am really very confident

House, Swindon, and branches necessary to be part of a Director Mr. R. W. Bale at Southampton, Plymouth, St. stronger unit in order to be able

won back because it has been pany was already tendering for and resources of the Nuttall made clear by Mr. D. D. Land, new work, particularly sea chairman and managing director defence contracts, road projects

### French Kier wins £9.9m

COMPANIES WITHIN the French Kier Group have been worth over £7m have all been awarded eight contracts which awarded to Robert Marriott of Rushden, Northants, part of the together total nearly £10m.

Largest job for French Kier Construction is for stage two Marriott includes construction of the A283 Bramber-Steyning of houses at Milton Keynes, a hy-pass for the West Sussex Council and is worth \$1.8m school for Northampton County Council and is worth £1.8m. School for the Anchor Another £288,147 contract is for Housing Association at Oxford, Architects for the project alterations and adaptations of and old person bungalows for are Grainger and Day, Work has Brighton Polytechnic for East Northampton Development Corbegun and is due for completion Another £288,147 contract is for Housing Association at Oxford, Brighton Polytechnic for East Northampton Development Cor-Sussex County Council.

French Kier Group.

poration.

"With the way the industry is The company is concentrating going in this country, companies of the size of Mears Constructhat are becoming increasingly

devastating for so many firms." We now have the reputation Group and its ultimate holding company, the Hollandsche Beton Groep NV, behind us, and this Mears is now part, that the "I am really very confident we believe, will be most latter will retain its identity as about the future," he declared. advantageous to Mears."

### IN BRIEF

UNDER A £617,000 contract Remaining six contracts, from Allied Suppliers (Properties) Costain Construction is to erect a supermarket in Roman Road, London, E.3.

Construction will be of steel Work to be undertaken by frame with part load bearing farriott includes construction brickwork. The supermarket f houses at Milton Keynes, a will provide 2.766 square metres of ground floor shopping area with 830 square metres at first

in October.

### Sports and leisure centre

OF SEVEN new construction projects (total value £2.25m) awarded to the sport and leisure division of Shepherd ment at Prior Lane, Macclesfield, Cheshire, for the local borough council. Site was the local borough council. started and completion is due in August next year.

Two major contracts worth just over £260,000 each are a 12-court squash complex at the Lee Valley Park between Ware in Hertfordshire and London's East End. and a squash club at Welwyn Garden City.

Smaller projects include a £40,000 job to build two back-to-back courts at Reading for the Prudential Assurance Company. a £60,000 three-court centre with office and canoe storage facilities adjacent to a riverside swimming pool at Braintree for the district council, and a £54,000 two-court glass-back development at Mildenball Upper School for Suffolk County Council.

### Work rolls in to Mowlem

WORK HAS been started by roof finish of bitumen screed John Mowlem on an office and and felt workshop complex at Dungeness The wo B power station, Kent, for the structed of steel portal frame Authority for a two-storey head-Central Electricity Generating with

struction of a three-storey administration block, with a areas. Equipment will include include a radio control room, single-storey wing containing a 2 20-ton gantry crane. of instruments, electrical and mechanical equipment from the power station, and ancillary Mowlem. buildings such as stores and The la boilerhouse.

block and wing will be of steel panels, aluminium windows and drainage.

The workshops will be concoloured The contract is worth £3.1m insulated internally with floors ambulance service at Ascots and calls for the design and conof part dustproof concrete and Lane, Welwyn Garden City. wood block paviors in beach

The larger contract, worth roof beams with woodwool

about £2.4m and called Penny-slabbing and asphalt roofing.

lands One housing, has been The station will be built of Construction of the office lands One housing, has been frame on column bases, precast Development Corporation. It is concrete beam and hollow pot for 177 homes, together with part coated steel cladding. It floors and roof, precast concrete ancillary works including site exposed aggregate cladding roads, car parking, services and

The other contract, worth about £600,000, was awarded by the Hertfordshire Area Health profiled quarters building and singlealuminium cladding and roof, storey station for the County's

The two-storey building will offices, a training school with Two building contracts, worth classrooms, kitchen, dining together almost £3m, at Milton room and lounge. Construction Keynes and Welwyn Garden will be of traditional load-city, have also been awarded to bearing brickwork with precast bearing brickwork with precast concrete first floor, lattice steel

awarded by the Milton Keynes structural steel columns and beams with part brickwork and will contain bays for 16 vehicles AMONG THE latest contracts with ancillary staff roomsstores and offices.

### **Bowey busy in North** £3½m awards

is worth-over £1.4m and is for areas. Competitive tendering to the building of the Coquet High School in Amble for Northumberland County Council. When ings at Murton. For the City Wimpey which is currently finished at the end of 1980 it of Newcastle upon Tyne, work will cater for up to 770 has started on a 47-week schoolchildren.

Already at work on the revitalisation of 53 properties in £930,000 first phase of the the City's Lower Heaton area

Kingsbridge, Longbenton, for North Tyneside Metropolitan Scotswood. District Council, Bowey has Sharing been awarded a £511,000 con- are Bowey tract to construct the next phase of the scheme, all of which has the council's chief architect.

redevelopment of housing at and complete refubishment of dwellings in some streets in Sharing in the order boom are Bowey's subsidiary companies, Wm. T. Wallace and Son, Greener Engineering Services been designed by the Newcastle Gosforth Joinery Works, In-architects Mauchlen Weightman ternal Building Services and and Elphick in consultation with J. Ward (Electrical), who he council's chief architect. contribute to the total of £8m.

At Murton and Newcastle, the achieved so far this year.

Llewellyn

ties Housing Association.

method of construction.

nership.

### Bovis in the Housing for Walter

TWO NEWLY awarded contracts for Bovis Construction cover work in the main thoroughfares of Egham and Sutton, Surrey. Two-storey banking premises

at Egham for National Westminster Bank will take about 48 weeks to complete. The company is carrying out £5½m re-construction of the

Medhurst departmental store in Bromley for the UDS group which has now awarded further work for a project concerning Shinners store in Sutton. Latter job is valued at about £530,000 and involves the provision of a new shop front,

installation of a new escalator, and the construction of a new shop front/entrance to adjoining building.

#### BIGGEST OF the latest con-tracts won by the Bowey Group ing of older dwellings in urban to Amev Roadstone Easington District Council has led to a £680,000 contract for the modernisation of 99 dwell-AMEY ROADSTONE Construc-

tion has secured two airfield contracts worth over £3.5m. British Airports Authority has accepted Amey Roadstone's tender for the construction of a new western apron with a value of some £2m. The company is already engaged in the construc-tion of a long term car park on the airfield.

The other contract, awarded by the Department of the Environment, has accepted the company's tender of about £1.6m for resurfacing the main runway and other works at the RAF Station Chivenor, North

### Finnegan's £2.6m

INCLUDED IN contracts worth more than £2.6m awarded to J. F. Finnegan are two projects THE EASTBOURNE, Sussex, for the construction of council based Walter Llewellyn and houses for Kirklees Borough Sons has successfully tendered Council and Shepway District in competition for a contract

Kirklees job is for 88 new for 115 houses and flats at dwellings on a site at Dale Lane, Heckmondwyke, while a Bushfield Shaw Site 2, Redhill, Surrey, for the Coastal Coun-£900,000 plus contract by Shepway is for more than 70 flats The scheme was designed by and houses at Reachfields, architects Phippen Randall and Parkes of East Molesey, Surrey.

Other new work includes phase two of a large school The quantity surveyors are Seymour-Robinson Atkinson Partproject at Tunbridge Wells for the Roman Catholic Diocese of Southwark, house improve-ments for Peterborough City Value of the contract is over £1.6m and the company will use Council, and work for Leaming-Quikbild timber frame ton Housing Association.

totalling nearly £2.2m awarded to Norwest Southern is one worth £800,000 for a five-storey office block at Station Road. New Barnet, Herts. Crouch Developments awarded the con-tract for which the architects are the Tripe and Wakeham Partnership. Completion is due in October.

Norwest Holst Northern has been awarded a £524,500 con-

CONSTRUCTION GROU

P.O. Box No. 6, Park Hall,

Salford Priors, Evesham,

Worcestershire

Tel. Bidford-on-Avon 3721 (20 lines)

STD (078 988) 3721

tract by English Industrial Estates Corporation, for alterations to a factory at Wilson Road, Huyton, Merseyside.
Three contracts totalling £352.804 have also been awarded to Norwest Holst Soil

Engineering. One is from the Welsh Office (£113,804) for site investigation for the A55 North Wales coast road on the stretch from Llanddulas to Aber, another is a £129,000 contract from Sheffield Metropolitan District Council for site investi-gation for the Don valley interthe third involves site investigation on a twelve km stretch of the Oxford-Birmingham road north of Banbury for the Midland Road Construction Unit at £110,000 plus the geotechnical

### Laing jobs

NEW WAREHOUSE and twostorey office block in Nuneaton comprise a £1.3m contract awarded to John Laing Construction which also announces an £800,000 contract awarded by British Home Stores. Work has started on offices and warehouse for Adams' Childrenswear (subsidiary of Foster Brothers

The store extension at St. Albans, Hertfordshire, will be a new steel framed building constructed on reinforced concrete piled foundations with brickwork cladding. Work here is already under way and completion is expected next March.

Clothing Company)

### WHO'S MOVING INTO NO.10?

No. 10 Throgmorton Avenue. That's the address of Security Trust's new branch in the City which opens today.

Security Trust has its headquarters in Birmingham and is a wholly owned subsidiary of America's Beneficial Corporation, one of the largest financial groups in the world.

The move is the logical outcome of continuing growth in the Midlands by an institution dealing in all aspects of banking.

The Manager Bill Ward and his staff will be delighted to meet clients old and new to discuss commercial and personal loan arrangements or deposit facilities at very attractive rates of interest.

Apart from representing all of Security Trust's interests in the City No. 10 Throgmorton Avenue will be an important new address for commercial business and commercial lending.



Security Trust Company Limited, 10 Throgmorton Avenue, London EC2N 2DL. Tel: 01-638 6541/5 Head Office 9 Temple Street, Birmingham B2 5BS.

### The war that never ends We British are a peaceful people. When a war is wer we like to consign it to the history books — and

But for some the wars live on. The disabled from both World Wars and from lesser campaigns, now all too easily forgotten; the widows, the orphans and the children – for them their war lives on, every day and

In many cases, of course, there is help from a ension. But there is a limit to what any Government Department can do.

This is where Army Benevolence steps in. With understanding. With a sense of urgency ... and with practical, financial help.

To us it is a privilege to help these brave men—and women, too. Please will you help us to do more? We must not let our soldiers down.

The Army Benevolent Fund for soldiers, ex-soldiers and their families in distress

Dept. FT, Duke of York's HQ, London'SW3 4SP

### **EUROBONDS**

The Association of International Bond Dealers Quotations and Yields appears monthly in the Financial Times. It will be published in an eight-page format on the following dates in the remainder of

September 10 May October June November 12 July December 10 August 13

in taking advantage of this offer please contact: The Financial Advertisement Department on 01-248 8000 Ext. 424 or 7008

### NYK's Full-Spectrum Container <u>System</u> Means Better <u>Service</u>. connected with your shipment. Here is how: First, our on-line computer system. We can now coordinate shipping activities all over the world. The location and details of each ship and each container are instantly displayed on the central computer screen. The latest word in customer service. Second, 360 ships and 40,000 containers at your service. The most complete, most adaptable shipping service going. Anywhere. Third, through its affiliate companies, NYK controls a comprehensive network of warehouses, container yards, air agencies, trucking services and port facilities for exdediting the onloading, offloading and forwarding of container cargo. Or maybe you need a specially designed container. From horses to helicopters, wines to wire, NYK's 90 years' experience culminates in our containerization know-how. The NYK container system. Lets you move faster and more efficiently when your NYK. You can't beat

There is a limited amount of advertising space available each month; if your company is interested

Other Overseas Offices in Europe: E Difaseldorf Tel: 84151 Hamburg Tel: 35 93-1 Parls Tel: 285-1900 Millan Tel: 803345

### THE MANAGEMENT PAGE

### EDITED BY CHRISTOPHER LORENZ

### Lonrho accounting policies under crossfire

SOME 42 firms of auditors throughout the world contribute to the final group audit of the international trading conglomerate. But this wealth of accounting advice has not prevented the group from having to fend off a good deal of criticism.

Last week, for instance, the three directors of Scottish and Universal Investments opposing Lonrho's hid for the company Tremsed to touch any offer I which included Lonrho equity. ' and in their defence document "But out a list of six "material exsiderations in evaluating Lonrho's shares." One of the listed concerned Laurgo 5 treatment of depre-

policy has come immediately after a slanging match which resulted from the attempt by Gulf Fisheries. a privatelyowned Kuwaiti group, to force two of its nominees on to Learne's Board. The move ended in failure earlier this

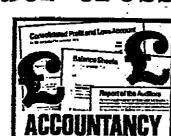
Had the two Gulf men ever got to the Lonrho Boardroom one of the key areas to which they were ready to devote special attention was "the effect on Loorho's market rating of the accounting policies adopted by Lenrho. The implication was that changes which Gulf had in mind would lead to an Lonrho's improvement in market status.

there are controversial aspects price. to Lonrho's accounting policies. The company has attracted believe that Lonho's rating attention for its insistence on consolidating a share of profits. The arguments were never proof House of Fraser although it duced, but by implication Gulf owns, directly, slightly less than must have reckoned that Lonrho the 20 per cent stake given as had miscalculated. Perhaps a minimum in SSAP I (the controversy was making these statement of standard account-ing practice which deals with productive, notably by discourthe treatment of associated com-

There is also the question of However that may be, Gulf its depreciation policy, under was not the kind of company There is also the question of which prior years' provisions, best fitted to change Lonrho's

System Dynamics—Applications in Strategic Planning, London. June 18-22. Fee: £350 Details from Joint Programme Director. London Busines: School, Sussex Place, Regent's Park, London

Product Management, Brussels. June 25-29. Details from Management Centre Europe, avenue des Arts 4, B-1040 Brussels,



assets, are added back to profits. In 1977-78 this write-back represented 16 per cent of pre-tax

The SUITs defence document this week contained calculations from which it argued that without this bonus the pre-tax profits of Lonrho. instead of remaining roughly unchanged, would have fallen by 141 per cent during the last two years.

The practice was defended to the Monopolies Commission by Peat Marwick Mitchell—one of the joint auditors-as being acceptable, given adequate dis-closure. "though somewhat unusual." All right, presumably, so long as you carefully read the notes at the back.

At this point, however, logical flaw appears in Gulf Why Fisheries' argument should Lonrho bave adopted accounting policies harmful to its market rating? A more normal explanation of any unusual policies would be precisely the opposite—that they arket status.

had been designed to improve it is true, of course, that the figures and help the share

How, then, did Gulf come to was actually being damaged? aging the institutional shareholders of the City.

no longer required because the image. Lonrho launched with

The Art of Managing Your

Department, London. May 25.

Details from Conference Depart-

agement, Management House, Parker Street, London WC2B

Developing Computerised Fin-

BUSINESS

obvious relish into counteraccusations about the accounting practices of Gulf's associated public company in Kuwait, United Fisheries, which at one time held a sizeable stake in

Both 1974 and 1975 were bad years for shrimps. But at the end of 1974, just before its accounting Fisheries revalued its Lonrho group regularly revalues its stake to well over the London market level. "This revaluation would not have been in accordance with United Kingdom . accounting practice." thundered Lonrho. And at the end of 1975 United Fisheries made a large profit out of the sale of Lonrho shares to Gulf Fisheries, a private company, also at well above the then London market price.

Why should not Sheikh Nasser, Gulf's owner, shuffle assets between his public and private interests if he wished to? Gulf pointed out that any benefit to United Fisheries was provided at the expense of the Sheikh and his family, who incidentally also benefited from jump in the share price of United Fisheries. Meanwhile the revaluation of the Lonrho stake in United's end-1974 accounts was "approved for the purposes of the accounts by United's auditors, a leading firm of chartered accountants." For some reason these auditors the Kuwaiti firm of Bader Al Bazie-was not actually named in the circular to Lonrho's shareholders.

Finally, Lonrho seized a sledgehammer to crack a nut. Lonrho's accounts are audited by independent British firms of who have never criticised the accounting policies of your company throughout the period of the association with Sheikh Nasser," he company told shareholders. Your company's accounts for this and every other year have not been criticised by any professional body.

Barry Riley

ancial Systems, London. June 25-27. Details from AMR Inter-national, 6/10 Frederick Close. Stanhope Place, London W2 When God Can Take The Blame-Seminar to Define Force Majeure, London. June ment, British Institute of Man- 25. Fee: £80 plus VAT- Details from Legal Studies and Services. Norwich House, 11-13 Norwich Street, London EC4A







Mr. Van Rafelghem (centre)-setting his airline a slow course for break-even within five years

Michael Donne on the Belgian national airline's plans to climb out of the red

### A long haul for Sabena

OVER THE past ten months, the he is not planning to nurry. He worldwide and forced up fuel years, by laving the airline's mounting losses, the Belgian Government madesome sweeping changes in the top management of the airline.

Among them was the appointment to the chairman's post of a long-standing civil servant, Carlos Van Rafelghem. The objective was to try to bring Sabena back into profit as soon as possible, in an increasingly tough climate for the world's airline industry, characterised on the one hand by mounting pressures for cheap fores, and on the other by rising costs, including soaring fuel billswith an inevitable squeeze on

margins. Mr. Van Rafelghem, formerly assistant chief of staff of the Minister of Transport, 27d before that a member of the staff of the Belgian Treasury and the Minister of Culture and Flemish Affairs, swiftly restructured the day-to-day management of the airline.

In particular, he made the operations department responsible not only for operational affairs but also actual sales, to give ground and air crews a commercial as well as an operational motivation. At the same time, he widened the scope of the marketing department, to include in it such matters as sale promotion, and the formulation of fares policy.

While Mr. Van Rafelghem wide variety of other problems. Mr. Van Rafelghem is aware can maintain its position on its, five year plan to go, but declares his determination to—the recent situation in Iran that he could produce profits short-haul European network, sent-form he seems will make Sabena profitable again, which has hit fuel supplies much more cultary than in five on its longer routes to Africa, achieve his ambitions.

wind of change has been blow- has set himself a target of costs for all airlines; the shousand people immediately, intensifying competition. For ing through the corridors of break-even within five years. He deregulation in the U.S. and the But this, he says, would be too the medium-term, it is seeking Sabena's head office in Brussels. has already achieved some suc-For last June, concerned over cess, for losses of BFr 2.2bn the airline's mounting losses, (about £35m) in 1977 were cut to BFr 1.6bn (about £25.4m) in 1978, and he has high hopes of a further improvement in the current year.

His explanation of the airline's difficulties is simple. It overstretched itself, trying to fly on too many routes to too many

#### Overall aims

"As an airline where the State is the main shareholder. Sabena gave the impression that we were not required to be as competitive as others," he says, but adds that this is an impression he is determined to change. Some routes have already been out-for example, to Havana, Guatemala, Montevideo. Buenos Aires and Santiago-and some staff have left the airline and have not been replaced. though the labour force has remained roughly stable at

about 10,000 since 1977. His overall ambition is to new." he says. break-even by 1983, with profits

one has to take into account a some areas." While Mr. Van Rafelghem wide variety of other problems

increased competition on the ruthless an approach. North Atlantic; and the need employment market is so closed for fares increases.

unbearable."

the next few years, especially if Sabena develops its sales at it is not yet ready to invest in, its same time. We believe say, the European Airbus, that the world market itself will believe in the continue to grow, and we intend the same time to grow, and we intend the same time to grow and we intend the same time. market we aiready serve."

But Mr. Van Rafelghem has set his mind firmly against massive dismissals in the company. Rather, he intends to But for the time being the recee all but essential recruit- airline will make do on short ment. not replacing staff who hauls with its Boeing 737s of leave. We have to manage the which it has 15, and will take purstanel in this company as it its time over finding a replace.

"Five years is a very necesnumber. I believe you will see the airline's planners are keepsary period," he says. To try productivity improving—not ing a careful watch on all new
to do it in a shorter time is that lack of productivity in aircraft ventures. impossible. We are too deeply Sabena is all that evident, but in the red." And, he points out, an improvement is needed in

at present, not only in Belgium Mr. Van Rafelghem bases his but elsewhere in Europe, that strategy on the simple expedient specialist personnel from of cutting costs sharply, getting Sabena would have nowhere rid progressively of the losses else to go."

which even at last year's better. As a result of this policy of level of BFr 16bn is "simply moving slowly, Sabena is not-interested in flying to Peking. unbearable."

Commenting on fares policies. "One of the first management pansion of its fleet, or its route objectives is to slow down the network, in the near future. It pace of development of costs," foresees a need to increase its he declares. He hopes this will long-haul fleet of DC-10s by bear considerable fruit within perhaps two or four aircraft in the next few years, especially the not too distant future, but

to grow with that part of the sterm is far from being ruled

### Careful watch

has never been managed, up till ment for its Boeing 707s. It is its time over finding a replacenot. therefore, immediately "In the past you just said you discussing such aircraft as the not compatible. We want to offer hopefully susterialising in the needed so many more people, new short-to-medium range next "five-year plan" thereand you got them. But from Boeing 757 or 767, but Mr. Vannater.

> so far as the route network is already to be working for concerned, the airline's prime objective is to ensure that it has four years or more of his can daintain its position on its five year plan to go, but on pressort half European network, sent form he seems well set to

the U.S. for which traffic rights have been obtained (it started a service with Boeing 747s to Atlanta, Georgia, this spring). and wants a new northerly (polar) route to Japan. In the longer-term, it might also be

Commenting on fares policies. Mr. Van Rafelghem says he is opposed to the extension of ultra-cheap fares in Sabena. "Our passengers are not so much tourists as business travellers, who want a quiet flight, a good flight, without problems, on time and with reliable service and so on. This we feel we already offer for the most part, but we are trying to improve it. But, while like others, we are trimming our prices, we are not coming down to the foolish

"For example, we do not believe that Stand-By fares are all that beneficial to us. We do not have them at present, and we do not intend to offer them. I think that ultra-cheap fares and the best possible service are the latter, and of course, good service means personal service. You have to pay people for serving others. You can't serve people by machines."

levels of some other airlines.

As a philosophy, it appears Sabena. Mr. Van Rafeighem still

### **TONIGHT** The Party Leaders COME FACE TO FACE WITH The Granada 500

Who are the Granada 500?

A cross-section of the voters of Bolton East, the constituency which at every General Election since the war has proved to be an accurate barometer of national voting trends. On past form the Party which wins Bolton East will form the Government at Westminster.

For ten days the Granada 500 have been questioning experts on key election issues at televised meetings in the north west. Tonight, in a 60-minute World in Action special they meet the three major Party Leaders - the only occasion when James Callaghan, Margaret Thatcher, and David Steel face the same audience on television. The Leaders will not know in advance what questions are going to be put to them.

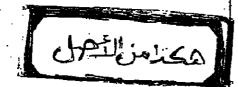
Chairman: Gordon Burns

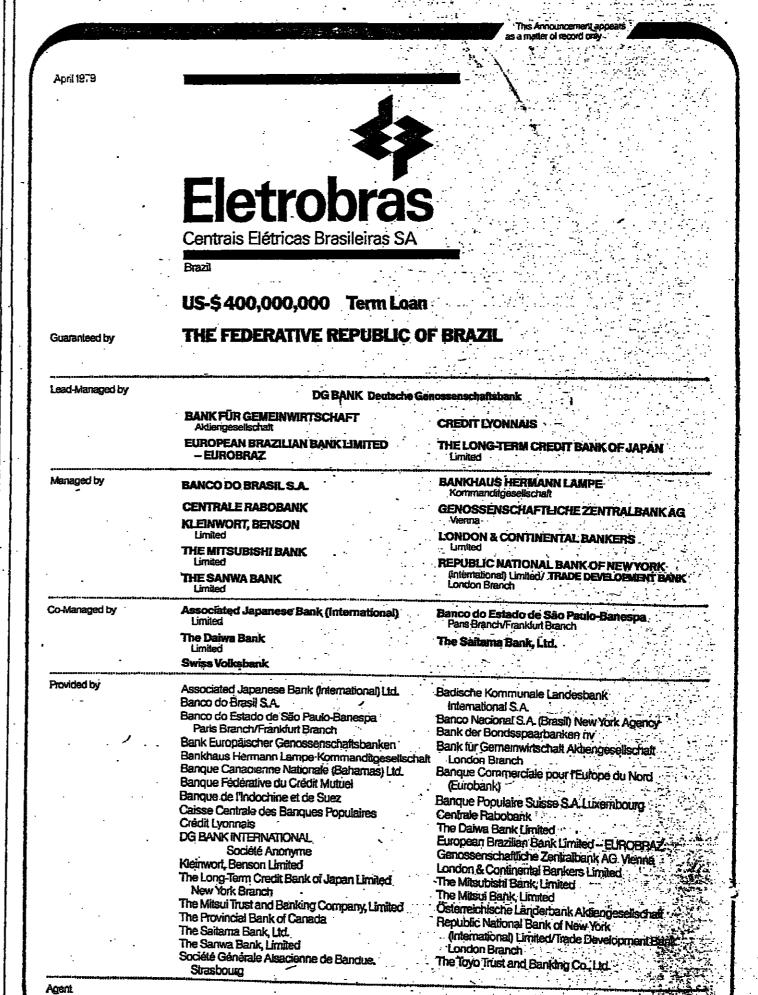
Co-Producers: David Kemp and Brian Morris

World in Action special: The Granada 500 meet the Party Leaders **ITV TONIGHT AT 8** 

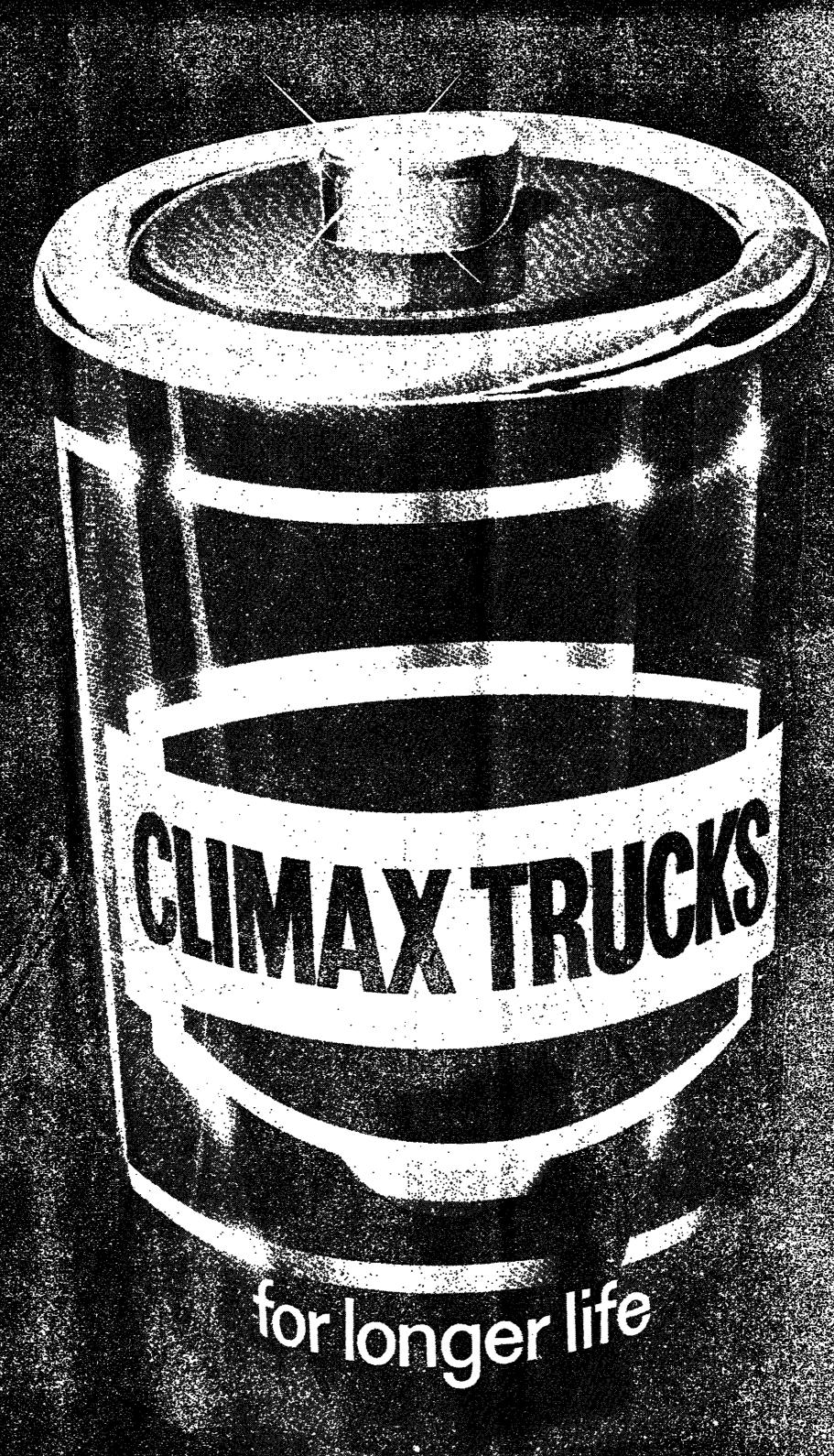
GRANADA TELEVISION







DG BANK INTERNATIONAL



(G.B.) Ltd., are a pretty dynamic organisation.

Hardly suprising then, that in their hige manufacturing complex at Stank ye of Durham they icly exclusively on the electrifying performance of Chinax

Coventry Climax Limited, Sandy Lane, Coventry CV1.4DV. The standard association with Ever Ready. Especially since at Climax, our goals are much the same as their spower fronger of, batteries each day, over two working shifts.

We reproud of our long standard association with Ever Standard association with Ever

### Do what I say not what I do

BY SAMUEL BRITTAN

equired on restrictive practices routine was sheer heresy. it all levels. Procedures, however desirable in the past, which stand in the way of improved performance must be reexamined. This is the only basis for sustained expansion and a growth of real earnings."

How many times have we read amilar statements of obvious und over-familiar truths in sovernment White Papers? Such statements were staple fare in a time of Cripps. They have been epeated by all subsequent rovernments and will no doubt be reiterated by the next affininistration, whatever its political complexion.

The statements remain the same partly because the problems do. But also because he people who write them are he upper civil servants—the permanent politicians as they have been so aptly called—who stay at their desks from one election to the next. And it is officials, not ministers, who draft documents as well as advise on their contents.

You might then expect them to take an equally strong stand against restrictive practices on their own patch of ground. Or knowing human nature you might not. And in the latter you would be right.

#### **Dilution**

The Administrative Civil Service has long operated a virtual ban on dilution by outside entrants who have not gone through the craft apprenticeship of training on the job. A Per- proponents was that Whitehall manent Secretary advising a infinister. will normally have spent the past 30 or 40 years working in Whitehall. This is in striking contrast to even the most bureaucratic private con-cerns, where even if internal promotions are preferred some putside appointments always take place, and a little headfinting is encouraged.

There have, of course, been. iome small breaches in this wall in the past decade or so. A few middle level officials and business executives have gone on the or two-year interchange But there was no danger here of a permanent infusion of new blood. There ffas also been a limited competition for late entry Principals; but this is still a far cry from opening the top posts to competition. Late entry is more professional among grades, whether engineers or economists; but these are proverbially "on tap but not on top." There have also been the well-publicised and very temporary political appointees.

But the idea first advanced by academic writer. Brian Chap- can circulate shows just how man, as early as 1962, that senior much civil servants dislike posts above Assistant Secretary practising what they preach

BBC 1

black and white

9.38 am Schools. 10.45 You

and Me. 11.00 Schools, 12.40 pm

News. 1.00 Pebble Mill. 1.45

Over the Moon, 2.01 Schools, 3.15 Songs of Praise, 3.55 Play

School, 4.20 Cheggers Plays Pop.

ACROSS

without bitter (4, 1, 4)

12 A national horse (4)

11 It's ruff about mother (5)

13 A noble purpose fine when

camping (4, 6)

15 Guaranteed confident in the

16 A little science gets the edge

on an egg-head. That's the

19 Silver coins from butters?

23 It must be common for us

to do what the young porker

27 A revolver to be found in

28 Ran back to share the tale

29 Troubled spots start to

with names of winners next Saturday.

They're about right (6)

face a row (6)

plan (6)

· - ' did (2, 2, 6)

51 (9)

::: the underworld (5)

1 It's a business to get me to

SUSTAINED attack is should be advertised as a

drug manufacturers had been Now at long last a micronegligent in testing the sidescopic dose of this heresy has effects of thalidomide on been introduced. Seasoned pregnant women it was met Whitehall observers have been with the threat of being in startled to see advertisements for permanent posts for Under some years the manufacturers Secretary at salaries of "£15,000-plus" designed for litigation with the parents of men and women with recent substantial experience and responsibility in an industrial, financial or commercial organifacturers and the earnest supporters of a fair administration sation." Preference is to be given to specialists in "financial of justice. control, project management and appraisal corporate plan-ing personnel management and industrial relations." Ex-

top administrators, planners and advisers, and thus help the

Civil Service associations in

their campaign for better salaries. There is of course the

danger that if the applications proved disappointing, the more

establishment - minded will says "I told you so; the experi-ment has failed" without jump-

ing to the intended conclusion

was suffering from "a retire-ment bulge." Recruitment to

Whitehall in the very early

post-war years was exception-

ally high and there is not an

equally large field of choice for

replacement of top positions.

But these mild revolu-

tionaries did not get their way

wits. 5.00 John Craven's News-round. 5.10 Blue Peter.

South-east only)

5.55 Nationwide (London and

7.25 Some Mothers Do 'Ave

9.00 Election Broadcast by the

Conservative Party

Blacking •

appointees.

5.40 News

6.25 Nationwide

8.10 Panorama

9.10 News

F.T. CROSSWORD PUZZLE No. 3,959

7.00 Ask the Family

9.40 Starsky and Hutch

30 Sound forbearance in the

DOWN

3 Finished up in a Dutch

5 Cuts about this period for

processions (7)
6 Powerful influence in a

Subject from a Belgian town

8 Thule's confused detective

9 We have little time for this

17 Preserves if found among

weep (6)
22 Some GI may exhibit selfish-

24 The stuff appears or it will

26 The fish fer one to note (4)

18 Alfred's hiding-place (8)

man in confusion (8)

him to mind (3, 6)

river (6)

town (4)

fortress (9)

supporter (6)

mothers (9)

ness (6)

shortly (5)

4 Supporters find a job in beer 1 Communications find a wise

19 Cried like the carpenter 2 The first World War brings

21 Peace? Put that in your pipe 14 They are said to think alike

25 An observance that is, we 20 Trap—for woodcocks? (7) hear, correct (4) 21 Fruit makes her go inside to

The solution of last Saturday's prize puzzle will be published

Another thought among the

Last week's ruling from the European Court of Human Rights is a triumph for those lobbying for freedom of perience of dealing with government departments is mentioned as an advantage.

This is still a far cry from the Chapman idea. The Civil Service Department is thinking

In 1972 the Attorney-General of the day (Sir Peter, now Lord. Rawlinson), wearing apolitical hat as guardian of the of three appointments (on an experimental basis) out of a obtained an injunction restrainnormal annual promotion of 50 to 60 to Under Secretary level, Some bright sparks in the First Division Association (which represents upper civil servants) dampener on publication. were in favour. One thought Early in 1973 The Sunday was that the response to the advertisements would help ascertain the market rate for

significant legal ruling on

freedom of speech in recent

Times wanted to publish an

Times snatched a victory from the Court of Appeal, only to is entitled to have its say first them of the information con-

as a sedative for expectant and successfully, in July, 1973, mothers would provide the most having the injunction reinstated. In June, 1976, at the point where the last of the parents his case to the European Comtimes. Yet when The Sunday were settling their claims mission on Human Rights, and against the manufacturers, the injunction was discharged. Court of Human Rights After nearly four years the at Strasbourg vindicated contentious article, with minor his stand. By 11 votes to nine article in 1972 alleging that injunction was discharged. modifications, appeared for all to read.

Throughout the fascinating contempt of court, because for forensic exchanges and learned judements the contest in the had been waging a protracted English courts has been between the freedom of expression and grossly deformed children. Trial the the fair administration of by newspaper was the cry that, justice. The latter triumphed went up from the drug manu- because the judges thought that the tragedy of the thalidomide children as emotively portrayed in incomplete if not unreliable newspaper stories would swamp a fair consideration of the manufacturers' defence to the charge of carelessness

Lord Reid out it in the most

compelling way: "What I think is regarded as most objectionable is that a newspaper or television programme should seek public interest, too The Sun- to persuade the public by dis-day Times to court and cussing the issues and evidence cussing the issues and evidence in a case before the court, ing publication of the article whether civil or criminal, that so long as the litigation over one side is right and the other thalidomide continued: a tem- wrong." In other words, while wrong." In other words, while porary and not permanent the best test of truth is the power of the thought to get

Strasbourg jolts our free speech laws

was far from beaten. He took last Thursday the European (each member-State of the

(editor of The Sunday Times), of the judiciary." The court Lords had ruled in favour of the criminal libel a person's freeconcluded that the iterference complained of did not correspond to a social need sufficiently interest in freedom of expression. The retraint was disproportionate to the legitimate aim pursued; "it was not necessary Council of Europe has a judge to a democratic society for on the court) the Court held maintaining authority of the that unlike the House of Lords judiciary." Since English judges interpretating the contempt are not slow to say that they laws of England, it was not faced are always capable of putting rights, even if with impeccable

### THE WEEK IN THE COURTS

BY JUSTINIAN

with a choice between two con- aside any Press comment on the flicting principles, but with a cases they have to try (particuprinciple of freedom of expresnarrowly interpreted.

Article 10 of the European Convention on Human Rights guarantees not only Press freedom but the right of the public to be properly informed. The families of the victims of thalidomide who were pnaware of the legal difficulties had a vital interest in knowing all the underlying facts and alterna-

larly appellate judges) the inprotect the manufacturers from having to develop their defence in public and in advance of any trial that might take place.

It would be wrong to think that the court's decision is a Judicial slap in the face to the House of Lords, It is not. The Human Rights Court accepts that the Law Lords correctly stated the English law on con-

IT COULD hardly have been be thwarted by the same and the public must await any tained in The Sunday Times decision, changes the law—3 tion for the Protection of expected that litigation over the Attorney-General taking the other view of the truth.

expose only if it was clear that change in any event advocated Human Rights and Eundamarketing of a drug prescribed matter to the House of Lords, That indefatigable fighter for its diffusion would have pre
by the Phillimore Committee mental Freedoms.

Index our present law of the same and the public must await any tained in The Sunday Times decision, changes the law—3 tion for the Protection of European Committee and European Committee mental Freedoms. Press freedom, Mr. Harold Evans sented a threat to the "authority , that reported shortly after the

But what is significant is that none of the 11 English judges pressing to outweigh the public who heard the case as it went up the hierarchy of courts alluded at all to the possible impact of Article 10 guarantee. ing the freedom of expression. Times have changed, even

among the judges. There is now a growing awareness of the impact of fundamental legal logic the courts have declared that the European Convention on Human Rights is not part of English law. Only just before Easter Lord Diplock went out of his way to warn that the law of criminal libel is irreconcilable with the precept of Article 10.

He said: "The examination sion subject only to a number junction was more designed to of the legal characteristics of the criminal offence of defamaappeal, has left me with the which involve serious depar-

it involves exposing seriously discreditable conduct of others, is to be suppressed by public authority unless the author can convince a jury retrospectively that his utterances were for the public benefit Article 10, the other hand, requires that the freedom of expressionshall be untrammelled by: public authority except where its interference is necessary for the protection of the public

Our law of crimical libel thus turns Article 10 on its head. It will not survive the scrutiny of the Court at Strasbourg. Neither will, one suspects, the law of blasphemous libel, if only because it is ostentatiously discriminatory in favour of Christianity to the exclusion of

other religious.
What seemed, therefore, as tory libel as it survives today, a mild corrective from Straswhich has been rendered neces hourg to our contempt laws, sary in order to dispose of this , in fact proves to be a powerful weapon for revision of all our conviction that this particular laws touching on free speech, offence has retained anomalies. The Sunday Times case has provided something more than tures from accepted principles a diverting topic at election upon which the modern time. It impinges on the whole original law of England is area of free speech. Some criminal law of England is area of free speech. Some criminal law of england is area of free speech. Some criminal law of england is area of free speech. fempt of court. That is left up cile with international obliga-candidates what steps the next touched until Parliament, in tions which this country has Government will take to bring compliance with the obligation undertaken by becoming a Britain into line with European now imposed by the courts party to the European Conventor standards.

### Piggott chooses Jeroboam as his 2,000 Guineas mount

RIDING PLANS for the 2,000 might well prevent his stepping Guineas prospects now seem nearly complete, following the news that Lester Piggott will be Junius; a disappointing fifth aboard Jeroboam and that Yves behind Gerald Martin at the Sain-Martin will probably part-

#### RACING

BY DOMINIC WIGAN

in the staff associations, who have voiced strong reservations Piggott may be regretting events of the past couple of about this extremely minor dilution, which blue collar trade union leaders would have taken in their stride. before announcing that New-Indeed, it has been said that Permanent Secretaries will refuse to employ anybody appointed under the new

understanding that Junius with scheme and that therefore the new entrants would all have to be placed within the Civil Service department itself. This of and Willie Carson. course is sheer fantasy. However sceptical Permanent Secretaries may be, one can hardly

see them "blacking" approved But the fact that such stories tentative previous arrangements morning 10.30 Campaign '79 4.40 Baggy Pants and the Nit-

11.10 ELO at Wembley 12.10 Weather/Regional News

All regions as BBC-1 except at the following times:

Scotland-3.15 pm The Last

Stronghold of the Pure Gospel. 5.55 Election Broadcast by the

Scottish National Party. 6.05
Reporting Scotland. 12.10 am
News and Weather for Scotland.
Wales—1.45 pm Pila Pala. 5.55
Wales—Today. 6.15. Election
Broadcast by Plaid Cymru. 7.00
Heddiw. 12.10 am News and

Weather for Wales.
Northern Ireland—3.53 pm
Northern Ireland News, 5.55
Scene Around Six. 12.10 am

News and Weather for Northern

England—5.55 pm Look East

(Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight

BBC 2

11.00 Play School
4.50 pm Open University

6.55 Horseback

7.20 Cameo 7.30 News

BBC-1

9.25 Horizon

RADIO 1

RADIO 2

RADIO 3

10.30 Behind the Mirror

11.30 News and the Hustings

LONDON.

and the Wheelies. 12.10 pm Rainbow. 12.30 The Cedar Tree.

1.00 News. 1.20 Thames News.

1.30 Treasures in Store. 2.00 After Noon Plus. 3.20 This Year

Next Year. 420 Clapperboard. 445 The Boy Merlin. 5.15 Emmerdale Farm.

5.00 am As Radio 2: 6.00 Dave Lee Travis, 9.00 Simon Bates, 11.31 Paul Burnett, 2.00 pm Tony Blackburn, 4.31 Kid Jenaan, 7.00 Stayin' Afre, 8.00 Andy Peebles, 9.50 Newsbest, 10.00 John Peel (8), 12.00-5.00 am As Radio 2.

SADIO 2

5.00 am News Summary; weather.
5.02 Tony Brandon (S). 7.32 Tarry
Wogan (S). 10.03 Jimmy Young (S
12.16 pm Waggoners' Walk. 12.30
Pate Murray's Open House (S). 2.30
David Hamilton (S). 4.30 Waggoners'
Welk. 4.48 Sports Desk. 4.50 John
Dunn (S). 6.40 Election Broadcast by
The Conservative Parry. 6.45 Sports
Desk. 7.02 Music from the Movies (S).
7.30 Sports Desk. 7.33 Alan Dell.
5.02 Humphrey Lyttelton (S). 10.02
Pros and Cons. 10.30 Star Sound.
11.02 Brian Matthew with Round Midnight Including 12.00 Naws. 2.025.00 am You and the Night and the
Music (S).

t8.55 am Weather, 7.00 News, 7.06 Overture (S), 8.00 News, 8.06 Concert: Sibelius, Balakirav (S), 9.00 News, 9.05 This Weak's Composers: The Court of Louis XIV (S), 9.40 Talking About Music (S), 10.10 Capricom Ensemble Concert: Hindamith, Blomdah)

9.30 am Schools. 12.00 Chorlton

6.40-7.55 am Open University.

740 Ten Years of Yesterday's

8.10 The Waltons 9.00 Election Broadcast. As

South West (Plymouth).

Now, following the news that

Curragh on Saturday, will miss the big race, Piggott has had The riding arrangements for to switch. Jeroboam is his Lyphard's Wish has been extra-choice. Fate plays some extraordinary, and both Cecil and ordinary games and the irony of a victory for Jeroboam with Piggott a late substitute is certainly not such a remote possi- Handicap. Although blinkers bility that it can be totally

little more on the subject by Thursday even. It was at the Craven meeting that Harry Wragg's colt almost succeeded Joe Mercer took his time in foiling a major gamble on Lyric Dance in the Tote Free bury winner Kris rather than Handicap. A win or narrow back. Lyphard's Wish would be his failure by Tree's Lyric Dance. Lat failure by Tree's Lyric Dance mount, and then Cecil, on the in the 1,000 Guineas on Thursday afternoon will see many Piggott would probably be in turning to Jeroboam at around the 2,000 Guineas line-up, 14-1 for arguably the best each-approached both Pat Eddery way value in a 2,000 Guineas Both said they were unlikely mendous amount of winning.

2,000 Guineas candidates for Yves Saint-Martin, who has Lyphard's Wish. Eddery told ridden some memorable races Cecil that he would almost cer- over the Rowley Mile, flies in tainly be required by Seven on Tuesday and will be partner-Barrows at Haydock on the same ing Lyphard's Wish in his final afternoon, while Carson said piece of work of Wednesday

6.35 Crossroads 7.00 Kenny Everett Video

9.00 Election Broadcast by the

16.10 News at Ten 10.50 Monday Thriller: James Garner in "They Only

Kill Their Mosters"

12.35 pm Close: A letter by
Beethoven read by Robin

ANGLIA

7.25 pm Anglia News. 2.00 House-perty. 2.25 My Six Convicts (film) starring Millard Mitchell. 5.15 Univer-city. Challenge. 6.00 About Anglia. 10.50 Campaign. 11.20 Fantasy Island. 12.15 am Luring and Growing. 12.45 Reflection.

ATV

1.20 pm ATV Newsdosk, 5.15 Give Us A Clue, 6.00 ATV Today, 10.50 Dan August, 11.50 Something Different.

BORDER -

1.20 pm Border News. 2.00 Houseparty. 2.25 Tight Spot (Bim) with Ginger Regers and Edward G. Robinson. 5.15 University Chellense. 8.00 Lookarsond. 8.00 The Granada 500 Meet The Three Porty Leaders. 10.50 Swat Squad (film) with Steve Fortest. 12.30 Border News.

CHANNEL

1.18 pm Channel News. 2.25
Matines: Affair in Trinidod. 5.15 University Chellenge. 6.00 Channel News.
5.10 Untamed World. 9.00 Encors.
10.48 Channel News. 10.55 Catch '79.
11.25 Adams of Eagle Lake. 12.20 News and Weather in French.

GRAMPIAN

9.25 am First Thing. 1.20 Grampian News. 5.15 University Challenge. 6.00 Grampian Today. 8.05 Cattle Ranch. 8.25 Election Broadcast by the SNP.

110.50 "McO" (film) starring John Wayne. 12.35 Reflections. 12.40

GRANADA :

1.20 pm Cartoon. 2.25 "Unwed Father" (film) with Joseph Bottoms. 3.50 Window on the World. 5.10 Captain Nemo. 5.15 Crossroads. 8.00

Wayne. 12,35 Rei Grampian Headlines.

RADIO 4

"They Only

6.00 Thames at Six

7.30 Coronation Street

Conservative Party 9.10 Turtle's Progress

8.00 World in Action

Show

Scobey

Five years ago Saint-Martin, France's most successful post war jockey, rode Nonoalco to a 19-2 victory in a 2,000 Guineas which Piggott's mount Apalachee was an 11-4 on

disaster for many. Turning to the I 000 Guineas, Eddery remains confident that blinkers will cure Lyric Dance's tendency to hang as she did close to home in the Free may well keep the Bechampton filly on a true course in the We should certainly know a final furlong, it remains that One In A Million, a 5-4 chance in most books will almost certainly be produced at the death by Joe Mercer and these tactics will give Lyric Dance and Pat Eddery little chance to fight

Latest Guineas' odds: (2,000 Guineas) Guineas) 11-4 Kris, 5-1 Lyphard's Wish, 6-1 Young Generation, and 8-1 Boitron. (1,000 Guineas) 5-4 One In A Million, 6-1 Patasia, 8-1 Lyric which may not require a tre- Dance, and 10-1 Devon Ditty.

BATH	-
2.00-Heart Stopper	•
3.00—Hay Ride	
3.30—Buttress*** 4.00—Midnight Dancer	**
5.00—Le Champ Talot	٠.

5.30-Miss Gaylord Granada Reports. 6.30 Happy Days. 10.50 "Tarantula" (film) with John

HTV

1.20 pm Report West Headlines. 1.25
Report Weies Headlines. 5.15 Captain
Nemo. 5.20 Crossroads. 6.00 Report
West. 6.25 Report Wales. 6.50 Election Broadcast by Plaid Cymru. 10.55
Westside Medical (TV film) with
James Siogan.
HTV Cymru/Wales—As HTV General
Service except: 1.20-1.25 pm Penswdau
Newyddion. 2.00-2.25 Hamdden. 2.253.20 After Noon Plus. 6.00-6.25 Y Oydd.
10.55-11.40 Yr Wythnos. 11.40-12.40
Celebrity Concert.
HTV West—As HTV General Service
e.cept: 10.13-10.28 am A Placs to Live:
1.20 pm Report West. 6.25 Report West.

SCOTTISH

1.25 pm News and Road and Weather.
2.25 Three Coins in a Fountain (film) with Clifton Webb. 5.15 Popeye. 5.20 Crossroads. 6.00 Scotland Today.
6.25 Election Broadcast by the Scottish National Party. 6.35 Crimedast. 6.45 Sounds of The Settlers, 10.50 Late Cell. 10.55 McMillan. **SOUTHERN** 

1.20 pm Southern News. 2.00 House-party. 2.25 The World In His Arms (film) storring Gregory Peck. 5.18 Berty Boop. 6.00 Day by Day. 10.50 Southern News. 10.55 Music In Camera. 11.40 Police Surgeon. 12.05 am Farm Prograss.

TYNE TEES

9.25 am The Good Word. 1.20 pm
North East News and Looksround. 2.25
Three Couns in the Fountein (fifth)
starring Clriton Webb. 5.15 University
Challange. 6.00 Northern Life. 8.00
Chalk and Cheese. 10.40 S.W.A.T.
12.25 Epilogue. ULSTER

1.20 pm Lunchime. 2.25 The Shape of Things to Come. 2.50 The Friends of Man. 4.18 Ulster News. 5.16 Certoon. 5.20 Crossroads. 6.00 Good Evening Ulster. 10.50 Richia Brockleman. 11.45 Bedtime. WESTWARD

VESTWARD
12.27 pm Gus Honeybun. 1.20 pm
Westward News. 2.25 Affeir in Trinidad
(film) with Rite Hayworth. 5.15 University Challenge. 6.00 Westward Diary.
10.52 Westward News. 10.56 Catch
79. 11.25 Adams of Eagle Lake (TV
film). 12.20 Faith for Life.

YORKSHIRE 1.20 pm Calendar News. 2.25 Monday Matinee: Trottie True (film) with Jean Kent. 4.16 Cartoon. 5.15 University Challenge. 6.00 Calendar. 10.50 Case for the Defence (film) with John Hamblin.

(S). 11.00 London Voices Concert: Janacek, Connolly, Poulenc, Hold. Maw (S). 12.00 Two Prizewinners from the Geneva International Music Competition 1978 (S). 1.00 pm News. 1.05 BBC Concert: Bartok, Haydn (S). 2.05 Music for Organ (S). 2.45 Naw Records: Mozart, Brittan (S). 4.55 Bandstand (S). 5.25 Homeward Bound (S). 45.45 News. 18.50 Homeward Bound (S). 8.45 News. 18.50 Homeward Bound (S). 8.00 Paul Dukes (S). 8.30 Rusty from Disuse. 8.50 Coull Strag Quartet Concert, part 1: Mozart. Schumann (S). 9.30 Interval Reading. 9.40 Concert, part 2: Shostakovich. 10.20 Building a Library (S). 11.25 Jazz in Britain (S). 11.55-12.00 News. RADIO 4 zine. 5.90 Shipping forecast. 5.55
Wasther, programme news. 6,00 News.
6.30 The Burkiss Way (5). 7.00 News.
7.05 The Archers. 7.20 From Our Own
Correspondent. 7.45 The Mondey Play
(S). 9.15 The Five Senses. 9.30
Kaleidoacope. 9.50 Weather. 10.00
The World Tonight. 10.40 Conversation
Piacs. 11.05 Book at Badtime. 11.20
The Financial World Tonight. 11.35
Election Platform, 12.00 News. BBC Radio London

5.00 am As Radio 2 6.30 Rush Hour.
9.00 Vote for Me) 9.30 London Liva.
12.03 Cell In. 2.03 206 Showcese. 4.03
Homs Run. 6.10 Look. Stop. Listen.
7.30 Black Londoners. 8.30 Sreak-through. 10.30 Vote for Mel 11.00 Lete
Night London. From 12.00 midnight As
Radio 2.

RADIO 4

8.00 and News Briefing. 6.10 Farming Weak. 6.25 Shipping forecast. 6.30 Today, Including 8.45 Prayer for the Day. 7.00, 8.00 Today's News, 7.30, 8.30 News Headlines, 7.45 Thought for the Day. 8.50 Election Broadcest by the Liberal Party. 9.00 News. 9.05 Election Coll. 10.00 News. 9.05 Election Coll. 10.00 News. 10.05 Wildlife. 10.30 Service. 10.45 Story. 11.00 1979 (S). 12.25 Weather: programme news. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping forecasts. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.05 Altermoon Theatre (S). 1.00 News. 3.05 Altermoon Theatre (S). 1.00 News News. 3.05 Altermoon Theatre (S). 1.00 News News. 3.05 Altermoon Theatre (S). 1.00 News News. 3.05 PM News maga-Capital Radio
6.00 am Graham Done's Breakfast
Show (S). 9.00 Michael Aspel (S).
12.00 Devo Cash (S). 3.00 pm Roger
Scott (S). 7.00 London Today (S).
7.30 Ric Davies' Election Special (S).
8.00 Adman Lava's Open Line (S).
8.00 Adman Lava's Open Line (S).
Late Show (S). 2.00 sm Peter Young's
Night Flight (S).

#### ENTERTAINMENT GUIDE THEATRES OPERA & BALLET

COLISEUM. Credit Cards. 01-240 5258.

Reservations 01-236 3767.

RESERVATIONA 01-236 3767.

REGISH MATIONAL OPERA.

Tonight Thur & Sat at 7: Carmen. Tomor & First at 7:00. Magon "the prediser combined effect of any thing in the English. National Opera repertoire" S. Fel. "Rs news production at the London Coliseum is the best possible advertisement for English. National Opera." E. Stand. Wed at 7:00.

GLOSE THEATRE. CC. 01-336 4601. Evs. 8.00 (Anarp. Wed. 3:00. Sat 5.30 and 8.30.

DENNIS QUILLEY in ITAL LEVIMS.

THERE CHEERS FOR TWO-DURS. OF "THEATRE CREEKINGENT". S Tel-best possible advertisement for English. National Opera." E. Stand. Wed at 7:00.

GLOSE THEATRE. CC. 01-337 1592.

day of perf.

CDVENT GARDEN. CC. 240 1068.

(Gardencharpe Credit Cards 836 5903.)

THE ROYAL OPERA

Ton't 8-fr'-7,30 It Bathlers di Sivigila.
Ther, and Sat. 7,30, The for Break.

The ROYAL BALLET

The 7,30 Concerto, Liebesifeder Walzer,
Facade. 63 Amphi seats avail, for all peris, from 10 am on day of peri.

10 are on day of perf.

GLYNDEBOURNE FESTIVAL OPERA. May 27 to Aug. 7. With the London Philharmonic Orchestra. Personal booking from May 3. All perfs sold out for Fidelic. Cost fan tutte. La fedeta granutat. It ritomo d'Ulissa. A limiter number of ticteta svalinble at 515 and 517,50-fgr. Die schweigsamé Frau. Box Office. Glyndebourne. Lewes. E. Sussex BMS 5UU. Tei Riogmer (U273) 812411 & 813424.

SADLER'S WELLS THEATRE, Roseberry Ave. EC1. 837 1672.

SADLER'S WELLS
SADLER'S WELLS
ROYAL EALLET
Ton't 7.20 Cospetta, Ton., Wed. and Thur.
7.30 The Four Temperaments, Las Hermanas, Pincapple Poll. Fri. 7.30, Set.
2.30 and 7.30, Les Rendesvors. La Feta etrange, Rhygie nor Reason Card Game.

THEATRES

ADELPHI THEATRE 01-838 7611
Evgs. 7.30: Mats. Thurs. 3.00. Ser. 4.00.
ISens. Trom. 51 at. doors;
IONDON'S HAPPYEST MUSICAL
JEYONDON'S HAPPYEST

ALBERY. From 8.30 am. 636 3878; CC.
Bookings 836 1071-3. Party rates,
Evgs. 7.45. Thurs. and Sac 4.30. 8.00
A THOUSAND FINES WELCOME IS
LIONEL BARTS
MIRACULOIDE MUSICAL THE

OLIVER
"MIRACULOUS, MUSICAL."
Financial Times.
with ROY DOTRICE
GILLIAN BURNS, MARGARET BURTON.
CHARBEN'S WARRENTE BURTON. DAY OF PERF. Now booking to 1980. ALDWYCH. CC. 836 6404. Inl. 836 5332. ROYAL SHAKESPEARE COMPANY

"Daring, deading, tradition-defring." E. News. With: LOVE'S LABOUR LOST (next perf Fri). News. production Mikishii Bulgakon's Tile (White GUARD (low price prevs from 23 May). RSC also at THE WAREHOUSE (see under W).

Urder WI.

AMBASSADORS. - CC. 01-836 1171.
EYS. B. FIL and Sal. S.30 and 8.30.
DINSDALE LANDEN. GWEN WATFORD.
DAVID BURKE. ANGELA DOWN

BODIES

"THIS PLAY POSITIVELY GUTTERS
WITH RHETORICAL BRILLIANCE." E.
News.
"DINSDALE LANDEN'S BRILLIANT.
PERFORMANCE." E.S.
"ME. LANDEN ST. WHAT 1 INSIST
15 THE 8237 PEPPORMANCE IN A.
MODERN PLAY NOW TO BE SERN IN
LONDON." E. News.

APOLLO THEATRE CC. 01-437 2663.
Ergs. 8.00. Sat. 5 and 4. Mat. Th. 3.00.
IAN LAYENDER
"The youngest member of Dad's Army."
Financial Times.
CHRISTOPHER TIMOTHY
"Everbody's Avountle TV vet." FT
JULIA FOSTER
"Is quite brilliant." Gdn. "Is quite prillent." Gdn.

"Is quite prillent." Gdn.

A very funny, new comedy by the authors
of BOEING BOEING. "FEY DEAU LIVES
CA VAI" Gdn. "IT WILL PROBABLY
RUN AND RUN." D.M.

ARTS THEATRE 01-836 2132. TOM STOPPARD'S DIRTY LINEN "Hilarious ... see it." Sun. Times. Monday to Thursday 6.30. Friday grid Saturday 7.00 and 9.15.

ASTORIA THEATRE 01-734 4291 or 01-439 5031. Mon.-Thur. 8.00 pm. Fri. and Sat. 8.00 and 8.45. BEST MUSICAL OF 1977 EVENING STANDARD AWARD Group booking; 01-437 3856.

EVENING STANDARD AWARD
Group bookings 01-437 3856.

CAMBRIDGE, 01-836 6056, 8-60. Opens
Man.-Sat. 10 am-10 am. Sun. 11 am7 pm. Credit cards 01-836 7040.

Man.-Ther. 8.00 Fit and Sat 3.0 and 8.30

"A TRIUMPH," BECOME
" HERE'S A HIT." People.

"A TRIUMPH," People.

"THERE HASN'T BEEN A MUSICAL IN
LONGON FOR A LONG TIME THAT
COMES WITHIN A MILE OF IT." FT.

"THE BRIGHTEST, BOUNCIEST MUSICAL
COMESY IN TOWN. NO.

"WILL BE DELIGHTING LONDON FOR
A LONG TIME" E. SPANDER.

"AN UNDOUBTED SUCCESS." D. 7el.

"AN UNDOUBTED SUCCESS." D. 7el.

"WIT AND STYLE" D. EXPRES.

"THERE IS NO COMPARABLE MUSICAL
IN LONDON TODAY." S. 10.

"A SUFER EVENING'S ENTERTAINMENT," S. EXP.

"A THOUSAND WELCOMES . . . IT

WOULD BE A CRIME TO MISS 17."

GROUP BOOKINGS 01-437 3856.

COMEDY THEATRE. CC. 01-930 2576.

COMEDY THEATRE. CC. 01-930 2576.

COMEDY THEATRE. CC. 01-930 2576.

MOD. 21 9500 MENT. FT. and Ser.

COMEDY THEATRE CC. 01-930 2578. MON. at 5.00, Mais. Fri. and 521. 6.30. THE ONLY ROCK W. ROLL SHOW THE ROCKY HORROR SHOW SNACK BAR OPEN 1 HR. BEFORE PFS. C'ITERION. From 8.30. 930 3218. C.
Bkgs. 538 1071. Eves. Mon.-Thurs. 8.
Fr. and Sar. 5.45 and 8.30.
BEST COMEDY. OF THE YEAR
Evening Standard Orama Awards
THE MOST HILARIOUS PLAY FOR
YEARS." Financial Times.
Season ends May 12. Last 2 Weeks.

C"ITERION, From 8.50 am. 930 32.16.
CC bkos 836 1071, Evenibus 8.00, Fri.
6 Sat. 5.3D & 8.3D
Commencing 18th May.
Lewis ESTENSEN
CLOUDS
TIANDER ESTENSEN
CLOUDS
"IS BLISS." Observer.
"MICHAEL FRAYN'S FUNIEST PLAY."
D. Telegraph.

Every app. 11-536 8243. Mon. to Thurs. Ever 8.00. Fr. and Sat. 6.50 and 8.15. Off: CALCUTTA!

"The nudity is stunning." Daily Tel. Ninth Sensational Year.

DUKE OF YORK'S. CC. 01-838 5122.
Evenings 8.80 pm. Matt. Thurs. 3.00 pm.
TOM PELICITY
COURTENAY RENDAY.
"IS BLISS." Observer.
"MICHAEL FRAYN'S FUNNIEST PLAY."
TRANSPERS WEDNESDAY 15th MAY.
SEE CRITERION THEATRE. FORTUNE 236 2238, EVEL 8.00. MAN.
Thurs 3.00. Sciences 5.00 and 8.00.
AGATHA CHRISTIES
MURDER AT THE VICARAGE
FOURTH GREAT YEAR

GLOBE THEATRE. CC. 01-337 1532.
Bill Wed. 3.00. Salt. at 8.00. 8.40.
ALISON CHRISTOPHER
STEADMAN CASENOVE
ALAN AYCKBOURN has done it again.
His latest comedy sparkles with with
NOW. "SHENDIDLY FUNNY." D. Exo.
"IT'S A HIT, NO JOKING." S. Mirror.

MICHELL IN THE NEW SHERLOCK HOLMES MYSTERY
THE CRUCIFER OF BLOOD by PAUL GIOVANNI
"The kind of spectacle 1 cannot recstace boyhood ... Derrific stuff." E. New HER MAJESTY'S. OC: 930 6656:
EVES. 5.0. Wed. 3.0. Set. 5.15. 6.845.
The New Fats Watter Missiest Show
"A RIOTOUS HIT," Daily Mail.
"JUBILANT, THE BEST PERFORMANCE
DF ANY MUSICAL IN LONDON," Obs.

LYRIC THEATRE. CC. 01-437 3666. Evas. 8.0. Thurs. 1,00, Set. 5.50, 8.30, 1,024 Set. 1,00, Set. 7,00, Set. 1,00, Set. 1,00

Maupham. Fri & Sat 7.45 The Double Design.

Desi

OPEN AIR REGENT'S PARK. 486 2431.
A MIDSUMMER MIGHT'S DREAM
PREVIOUS from 28th May, TWYLETH
NIGHT Joins repertory july 1 Lunchtime
programme includes DKIT BURBACK
OVERRULED & OFLAHERTY V.C. The
lash two join main repertory as 35mm
Double Bill in Aps. BOOK NOW.

OPEN SPACE, 387 8969, Tues.-Sun. at 8
PS YOUR CAT IS DEAD by James Kirkwood. "Blessed with two spiendid penformances by David Bast and
Christopher Gable," Ev. Standard. FALLADIUM. CC. 01-437 7373-2055 Yul Brynner

PRINCE EDWARD, CC: 01-437 6877.
Evenings 8.00. Mats., Thirs... Sat., 3.00.
EVITA
by Tim Rice and Andrew Lloyd-Webber.
Directed by Marold: Pringe.

Director of Marus France.

PRINCE OF WALES, 01-930 8567. Creft card bookings 330 0846. Mon. to Teurs. 6.00. Friday and Sat. 6.00 and 8.45. ALAN AYCKSOURN'S amash-hit comedy "If you don't laufh, san me. D. Exp. A National Theory Production. OUEEN'S. CO. Sr. 0.734 1166.
Eva. 8.00. Fri. and Sr. 6.00 and 8.45.

"MAGICAL"

"A DREAM OF A SHOW. Ev. Nava:
by PETER TOWNSHEND and the WHO.
A. ROCK MUSICAL WITH
ALLAN LOVE. PETER STRAKER

MAYMOND REVIEWED.

ALLAN LOVE. PETER STRAKER

RAYMOND REVUERAR, CC. 724 1593.
At 7.00, 9.00, 11.00 pm, Open Subs.
Paul Raymond Bresents
THE FESTIVAL OF EROTICA
FURY air-conditioned, 21s2 YEAR

ROYALTY, CC. 01-405 800s.
Monday-Thurachy evenings 8.00, Fridays
5.30 and 8.45, Saturdays 3.00 and 8.00,
EUBBLING SROWN SUGAR
NOW IN ITS 2nd GREAT YEAR
Book by Marbinus for the entire family.

ROYAL COURT, 730 1745, Prevs. SPL
J.00, Opens Thur. Best at 7.00, Subs. 8.00
IAN MSKELLEN, TOM BELL.

TO MARTIN SHERMAN

ROYAL COURT TREATER UPSTARES.

Dy MARTIN SHERMAN

ROYAL COURT THEATRE UPSTAFRS.
730 2554. Eves. 7.30 PSY-WARRIORS.
by David Leland.

SAVOY THEATRE. 01-338 8988.

SAVOY THEATRE. 01-338 8988.

SILL PATERSON one of those rare voung fines of British Theatre. Ft in Wholse Life is it anyway?

PLAY OF THE YEAR

West End Theatre Award.

by Brian Clarke. A monomorous siley.

Sat. 5.45. B.45. Red. Maly. Wed. 3.00.

I unde you to see it. Gar. Eve. 3.00.

STRAND, 04-536 ZEGO. Evenings 8.00.

Mats. Thurs 3.00. Sate. 350 and 8.30.

Mats. Thurs 3.00. Sate. 350 and 8.30.

WERE BRITISH

LONGEST-RUNNING COMEDY IN THE WORLD.

T. GEORGE'S SMAKESPEARE THEATRE.

101-607 1128.
Erbs. 7.30. Mar. Tuenel Park Road.
Erbs. 7.30. Mar. Tuenel Park Road.

LIVELIER THAN THE LAST BRC.

TICKE'S also bookable at Theatre.

Shop Phocnix Theatre. SHAFTESBURY, 836 5508. CC. 836 4255. EWS. 7.45. Wed. and 8.0. 4.30 and 8.00. CANTERBURY TALES "THIS CAMADME ROMPING MUSICAL-PRINCIPAL PERFORMANCES SHINE OUT WITH THE GENUINE LIGHT OF

ST MARTIN'S. Credit Cards. 839-1443. Es. 8. Mat. Tues. 2.45. St. 8. 8. AGATHA CHRISTIES THE MOUSETRAP WORLD'S LONGEST-EVER RUN 27th YEAR

STEATFORD-UPON-AVON. Royal Shake-spears Theatre. (1789), 789271. Tickets immediately available for TME MERSY WIVES OF WINDSOR tomor. May 2, 3 (mat), 2, 8. CYMBELINE May 3, 9, 10. 23. Recorded booking Info. (1789) 899, Ot the Other, Place The Jan. DIARY OF ALBU SACH by David Edgar. May 10 (7 mm).

TALK OF THE TOWN. CC. 07-75A 5051.

ARE CONDITIONING. CREDIT CARDS.

CELEBRATING 21 YEARS.

From & Dining and Dancing

9.30 SUPPER REVUE

BUSHLY

at 11 pm TONY MONOPOLY THEATRE UPSTAIRS. 730 2554: Prevs Tomor, and Wed. 7.30 Opens Thurs. 7

VICTORIA PALACE, CC. 07-828 4735-b.
101-884 5317.
Pros. 7/30. Mats. Wed. and Set. 2.45.
STRATFORD IGHNS
101-11. ASSNE 25/11.
101-11. ASSNE 25/11.
MISSICAL Daily Matl.
BLOCKBUSTING SMASH-HIT
MISSICAL Daily Matl.
Bending Standard Drama Award.

VAUDEVILLE CC. 01-836 9988. Evs. 8.
Met Weds. Z.45. Sats. 5.00. 8.00.
JEAN "KENT and JOYCE CAREY
(as Miss Marsh)
A MURDER IS ANMOUNCED
by AGAINA CHRISTIE THE REST CONJUROR IN THE

MAREMOUSE Dommar Theatre. Corent Garden. Box Office 836 5808. Royal Shakkessare Co. Toffice Toffice 7.30. THE MERCHANT OF YENICE With Howard Bretton's THE CHURCHILL PLAY (part perf Fri). All-sales 52. Adv. hkgs. Audwich. Students 51 in Edvance. WESTMINSTER. CC. 834 0283.
THE WORST OF
KENNETH ROSINSON
Daily 8 pm. Sat 5 & 8 pm. 52, 53, 54.
Oaly until May 19, 800K NOW.
MIKADO OPEN MAY 30, Previews from
MAY 25, BOOK NOW.

WHITERALL. CC. 01-930 6692-7765.
Monday to Thursday 8.50. Frl. and 5at.
6.10 and 8.50.
The African Musical Explosion.
A suffering into of Dance and Song.
FOURTH GREAT YEAR

"VNDNAM" From 8.30 pm. 01-236
5028. Crack Card bless 836 1071, Mon.Thurs. 8.00. Card bless 836 1071, Mon.Thurs. 8.00. Card bless 836 1071, Mon.Thurs. 8.00. Card bless 836 1071, Mon.GENORMAN STATEMENT COMMENT
GENORMAN STATEMENT
GENORMAN STATEMENT
GENORMAN STATEMENT
GENORMAN STATEMENT
GENORMAN STATEMENT
GENORMAN STATEMENT
LABORITER, Guardina,

YOUNG VIC. 928 5363. Frm Tomor Evs 7.30 John Osborne's LOOK BACK IN ANGER ST. May 26.

CINEMAS ABC 1 & 2. Shattesbury Ave. 836 8861. Sep. perfs. All seats bookable. 1. The DEER HUNTER CO. Wic. 41d Sun. 2.15, 7.30, 70mm Dolby

Stereo. Z. Superman (A). Wk. & See: 2,00. 5.00, 8.10 (lest 3 days). CASSIC 1. 2; 3. Haymarick (Piczalih) Circa: Tube) 01-838 (527: 1. Gregory Peck, Laurence Oliver, THE 8275 FROM BRAZEL CO. Progs. 12:30, 2.50, 5.15, 3.15. 2. Biol. Anderson, I. NEVER PROMISED YOU A ROSE GARDEN CO. Progs. 1.39, 3.40, 5.50, 8.50. 40, \$.50. 8.00. Ingrid Berbitan, Liv Illiman, AUTUMN MATA (AA). Progs. 1.45, 2.55, 6.10. Visit our new American style SODA FOUNTAIN RESTAURANT, Opens S.30-millinght, Table reservations 930 1787. CLASSIC. Leicester Square. 01-930 6815. THE WILLS NAVE ETES OC: Peter Bartworth MR. SMITH OO. Progs. 12.50, 3.15. 5.40, 8.05.

CURZON, Curron Street, W.1. 439 5737.
Grand Pric Calmas 78 The TREE OF WOODER COLOCS (A). A Film by OLM!
(Radiah Subitled). Daily at 230 and 7.15 Ope of the most beautiful films we are ever likely to see. The Guardian. LEICESTER SQ. THEATRE 930 5252.

FIRE POWER (AA)

Sen. Pross. Wrs. 2.00, 5.00. 8.15.

All seats highe in advance at 8ex Office.
of by best for 8.15 pros Mon-Fri. ODEON LEICESTEN SQUARE, 530 6111.
Neil Simon's CALIFORNIA SUITE (ARL
Sea, Perts, Dily, doors open 1.45, 4.45,
7.45, All shats bable at box orang or by
sost, Box Office opens Moss. Sats.
10.30 am-8.00 cm.

ODEON MARKEE ARCH, W2. 723 201-2.
SPIDERMAN. STRIKES SACK 10. THE THIEF OF BAGRIDAD (UI. Sep. progl. Daily 2.30, 7.00. PRINCS CHARLES, Leic Sq. 01-437 8181.
No. PRAISE OF GLOPE WOMEN. CO.
Sco. Peril daily (no. Sun.) X10 5.45.
Seats bookedq. Licensey St.
Seats bookedq. Licensey St.

SCENE 1, Leic. So. (Wardon: Sb.). 439-4470. , NEVZR PROMISED YOU ROSE GARDEN OO, Pross. 1.25, 3.45, 6.00, 8.20, Late show Fr. X, Set. 16.40. STUDIO 1- 2. A. Ontoro Circus, Authoroco.
1- 1. Niver Nomisso 701 A. 2020
CARDEN CO. DOWNISSO 701 A. 2020
CARDEN CO. DOWNISSO 701 A. 2020
S.25. Late Book 7025. 1-20. 3-47. 6.05.
2. Assure Chroster DEATH ON THE MILE CAL Property DEATH ON THE SECOND SHOWS SECOND STREET THE DEER MUNITSO OCCUPANT SECOND STREET THE DEER MUNITSO OCCUPANT SECOND STREET THE DEER MUNITSO OCCUPANT SECOND SECOND

12 1942 12 12 13 25 120 St. 100 St The same - 1 000 mg 

Count 10 Taping 8

BY SY PETER

The radiust

, 42 mag 47°35%

- -: 2<sub>7</sub> .... 

41.673.25 en de la company Tes ora

701 - ...

\*\*\*\*

CI du Ro -57.0 PERMI Tale F

8 auf 4 Parre Suggestion of the party 15 July 18 18 18 al. The same

aiai Hail

1112

Ser Marks arren ... Erices wife ton. . Tun

### THE ARTS

by B. A. YOUNG

#### ENGLISH BACH FESTIVAL

Elizabeth Hall

### Athaliah

by RONALD CRICHTON

On Friday the English Bach in limbo between the styles of Festival returned to Handel's opera seria of which he had Athaliah, which they gave 15 long been master and of English years ago in the Sheldonian oratorio, hugely dramatic in different ways, in which he was building it was written in 1733. Once again Sir Anthony Lewis conducted, using the edition he made for the earlier occasion. made for the earlier occasion. respectable rendering. Such a The performers were the EBF lack might not have counted in Baroque Orchestra and Singers; the capable soloists were headed by Eiddwen Harrhy as Athaliah.

In fact it was slightly dis-appointing, one of those care-fully prepared, well-intentioned occasions to which the adjec-tives "interesting" and "dull" aria in Part 2 with icy precision. apply about equally. For the queen's short, but

"The first great English oratorio," says Winton Dean of Athaliah which has a text by Samuel Humphreys based on Racine's tragedy Athalic. Even accepting the proposition that Racine into English won't go, the language of Humphreys is ordinary stuff. The role of the tyramous Queen Athaliah, daughter of Ahab and Jezebel, is diminished. About the only verbal pleasures come from 18th century expressions which have become accidentally quaint— "blooming virgins" and so on. Handel's score on the other hand is full of striking ways of keeping the action moving, by com-bining soloists and chorus, by using short, vivid recitatives and (sometimes) short arias.

suggest that the music, how the spaciousness the music deever innovatory, is memorable serves—here the choral and in Handel's great vein. There instrumental textures began to is a feeling of being suspended glow and sparkle.

the Sheldonian (where the good but small chorus would, one imagines, have found it per-On paper all this promised well. fectly adequate in size) but the effect in the Elizabeth Hall was subdued.

For the queen's short, but venomous outbursts in Part 3 she rightly avoided anachronistic 19th-century dramatic style, but the performance had not generated enough tension as a whole to make them fully effec-

The most consistently satisfying solo singing came from John York Skinner as Joad. Lillian Watson and Paul Hudson sang Josabeth and Abner adequately without arousing much interest in either character. Andrew Mantin was clear and accurate as the boy Joas. Brian Burrows, though his tone was not ideally clear or steady, made something of Mathan's curious, rather Ramellian tast aria "Hark, his thunders round me roll." Small or not, the chorus filled out the and (sometimes) short arias. eight-part harmony of "Give Yet this performance did not glory to his awful name" with

voiced tenors and dasses out-

The Magnificat was given

repertoire?) The Festival

in Monday's Handel, the dance

movements to great effect, espe-

Festival Hall

.

### Lina Lalandi

by NICHOLAS KENYON

Miss Lalardi moves in a a outting edge through the lines mysterious way her wonders to of "Et misericordia": a pity perform. Having assembled for their precision was not matched her Festival Hall concert on on the whole by the conventionally-voiced soloists or by the orchestra, she proceeded to use commendably adventurous but them in only one work (Bach's insecure players of the slide Magnificat), clearing the stage trumpets. The youthful English in the second half and reducing Bach Festival Chorus sang the players to a chamber crisply; unusually, the clearensemble in order to display once again the talents of the sang their female counterparts. Festival Dancers. The unifying element in this mixture was to with its four pretty Christmas have been the conductor. Wolf- interpolations, in the original gang Gönnenwein, but he was key of E flat; this was the only indisposed (an announcement unusual feature of a programme which roused surprising passion which was otherwise very popu-in one vocal member of the lar. (Has the Festival lost its audience); Andrew Parrott con- sense of adventure in the Bach ducted the Magnificat, while the Dancers illuminated the B

players were left to look after minor. Suite (with Stephen themselves in the smaller Preston as soloist/director): as works.

Mr. Parrott might have been slowed down the speeds of the forgiven for playing safe and following his performers, but cially in the elegant Randeau he is not a conductor to conduct and Polonaise. As for the anyone else's idea of a work, Peasant Cantata, I thought the and this Magnificat was com- dancers quite misunderstood pletely individual: sparklingly this piece of cultured-town- idiomatic in Italian music, but alive in its articulation, bounc- versus-rustic-country rivalry: ing with rhythmic life, but they turned it into a jolly relaxing in the solo numbers pastoral knees-up. Fortunately into a light-footed lyricism Lynda Russel and Richard which brought out the most dis- Jackson sang with more approtinctive qualities of the baroque priate vigour and force, and instruments. Splendid to hear a John Toll co-ordinated the band full band of 15 period-style neatly. A bitty concert, though: violins in this hall, sliding with it did not hang together well.

### Council to buy theatre

The Key Theatre at Peter- lottery.

The 400-seat riverside theatre borough is to be bought by the city council, which plans to run opened six years ago at a cost it as a public amenity. The of £150,000 and was financed council thinks the cost will be through grants and a public about £90,000—the theatre's appeal. It has lost money in current debt. It hopes to recoup recent years despite cuts in the money through its municipal operating costs.

Aldwych

The excellent Miss Harrhy

Paola Dionisotti and Jonathan Pryce

Not all the characters in The played by the heart is in hunt-Shrew are as mad as Petruchio and Katharina, but most of them carry eccentricity beyond the point where it would be tolerated in a normal society, and Michael Bogdanov, whose splendid production for the RSC now arrives for the Aldwych season, has been happy to join them. He gives more attention to the Induction than to any other scene in the play, beginning it in the auditorium and furnishing it with a fine classic décor' (by Christopher Dyer) whose sole purpose is to be torn down by

Wigmore Hall

Dose is well-known to British

opera-goers for her appearances at Covent Garden and Glynde-

bourne, but Saturday night's Wigmore Master Concert was

her first London recital. Her

voice, a healthy lyric soprano.

has sufficient vibrato to sound

an emotional reserve prevented

her Mimi from making its full impact. In Mozart and Wagner this reserve is barely discern-

ible, while on the concert plat-

form Miss Dose's winning man-

ner spoke directly to her

The first half of her pro-

gramme was devoted to Scandi-

songs may contain more lyrical

feeling than intellectual matter,

navian composers. Grieg's the interval, three songs by

but his settings of Ibsen's again, though they were nicely "With a Water Lilly" or sung.

Björnson's "The First Meeting" For her final group of songs

with the requisite simplicity, greater refinement of tone, as as well as generous, burnished well as a more sculptured line

audience.

Well, Christopher Sly is not Bogdanov's Induction is, though,

into Petruchio, stealing away from the Paduan citizens among whom he finds himself, to re-Christopher Sly like Samson at appear later on a motor-bike, the festival of Dagon. There- Grumio behind him on the after he pays even less atten- pillion. Apart from a change tion to Christopher Siy than of accent and a greater fidelity in London than this Shrew

ing pink being an offstage bay-ing of hounds at the end of the

sequent reference to the game Pryce retains most of Sly in at the same address.

Helena Dose by Elizabeth forbes

The Swedish soprano Relena riot, Peterson Berger, three of The springtime joy and ecstacy

the singer delivered them per-

With Sibelius we entered

another, more sophisticated

dimension, "Was it a Dream?"

had the right touch of feyness, while "The Diamond" glit-tered brightly. In "Ingalill" and "Black Roses" Miss Dose

employed her dramatic gifts to

point the small-scale but heart-felt tragedy of the verses. After

Pizzetti momentarily caused

the curtain of reserve to descend

are in no way unworthy of by Richard Strauss, the Peking and Shanghai, a spokesthe poems. They were sung Swedish soprano produced a man said. Artistic director with the requisite simplicity.

as well as generous, burnished well as a more sculptured line The season opens in Peking tone. The soprano's compatthan she had hitherto obtained. on May 10 with "Giselle."

whose folk-song arrangements of songs such as "Befreit" and came next, was a contemporary "Cacilie," were admirably pro-

came next, was a contemporary "Cacilie," were admirably pro-of Richard Strauss, but he jected. Geoffrey Parsons, as

inhabits a musical world that always the model accompanist,

never progressed far beyond also caught the rapturous mood that of Lohengrin. His songs of these Strauss settings. Hav-

are immediately attractive and ing no need, with a singer just

The Taming of the Shrew

The Theatre Upstairs

### **Psy-Warriors**

bý B. A. YOUNG

concern with their outcome.

Khovanshchina by DAVID MURRAY

On Saturday evening, the ventional theatricals, aiming passion, and further suggestions

historic events in the long view,

and on the personal scale the

sharply selected details of

The trouble seems to be that the Bolshoi treats Khovanschina

as a classic, an old-fashioned but honoured national epic, to

be accorded the stage pageantry

standard for Grand Opera. If they recognise it as a revolu-

tionary work, it is only on the

level of theoretical loyalties;

no such insight informs their

exact, quirky vignettes of his

protagonists. It was the more

impressive the Evgeny Nesterenko as the fanatic

given nothing more to do than

For accelerating sweep of momentous

BBC brought us the Bolshoi instead at an almost Brechtian Opera in full cry for the loving detachment, penultimate evening of the What we saw missed both the

sing and clarifying the dramatic handling of Mussorgsky's richly shape of an opera has evidently imagined choruses, nor the

character.

as to a serious inquiry into complete success and ready to human rights. At any rate, this go out and work with an under

ensures close attention to the ground unit in the Gulf States

development of events and packs in his commission as the

Three volunteers are being Of course, if the play went or interrogated about a bomb for a further half hour, we planted in an Aldershot pub. should see him in sensory deprivation as well, until he was

for military intelligence should brought to heel, for it would be

be found another posting at unthinkable to set him free it

once, for it is full of short-comings. One volunteer, a business. As I said, though sergeant in the Greenjackets, is this may be regarded as a moral

final curtain falls.

of secret canniness and watch

Nesterenko's fastidious line made a difference; Alexande Vedernikov's ripe Khovansk

was a broader sketch, like

V. I. Romanovsky's Shaklovity

though in the simple terms of this staging they both carried due impressive weight. The

tenor roles, Prince Golitsyn and

the distracted Khovansky son

were forthrightly attacked by E. T. Raikov and G. Y. Andryu shenko; Irina Arkhipova mada a strong, mature Maria, to

implacably presented to call up

the ambiguous sympathy she

should invite, and so denying the opera some of its emotiona

power. One was grateful ti

have seen it, all the same

Some of the duologues achieved

a creditable grip; the score gained from the Bolshoi's excel

lent lower strings, far superio

ful sympathy.

In a world as full of terrorism Psy-Warriors seem to me to hardened in her hatred and revolt as our distracted belong, mutatis mutandis, as terrorists. But a young infantry globe, it is natural, and right, much to a boy's adventure yarn officer, who has been judged a that the young writers should be obsessed with the problem of military security. We are torn between two extremes: the public must be protected from political violence, yet on the other hand we think it hard to accept the infliction of suffering in its prevention.

splendid Opera Month. For Mussorgsky's Khoranschchina

the Bolshoi had assembled an

imposing cast photographed in sumptuous costumes against grimly sub-naturalistic, ineptly

lit sets. The construction of the oeraa resembles nothing except Mussorghsky's own Boris; it does not sprawl, but

it may easily seem to, and the Bolshoi production gave it no

The Western conception of

a producer's function in focus-

assistance.

Paola Dionisotti makes the David Leland's play has found most of her commanding chin as Kate, yet softens into a a way of presenting the arguments on both sides with more gentle wife after the dreadful conditioning she has been subjected to in her early married life. Zoe Wanamaker. or less equal force by imagining an Army psychiatric unit that trains Army volunteers to behave like guilty conspirators under interrogation, so that insecure sergeant after a course Sheffield Crucible and are they will better understand terrorist psychology. The interrogation of sensory deprivation (illus-directed by the author on a telligent units, we meet in the induced to sign a confession of the characteristics of some of the arcteristics of some an Army psychiatric unit that as her sister Bianca, has become tougher than she was at Stratford. She accepts advances from anyone who pleases her, but rejects anything else in a style ominously prophetic of her sister's. It must come from their mother, theatre, in Anchorman, for ex-recruiting mercenaries for the psyches a bit wobbly now ample, and Subjects for Inter-Angola, so ensuring him a long and then. Perhaps, like me, rogution tend to be unorthodox, spell in the nick. The loyalist they couldn't always believe in and I confess that the doings in subaltern in the WRAC is what they were doing. for Paul Brooke's Baptista is a courteous gentleman, even if he is too ready to turn to his electronic cash-register when discussing downies. BBC 2/Radio 3

The complexities of Bianca's wooing, with all those impersonations, give less room for outright farce, but nothing like romance is allowed to creep in. Mr. Bogdanov clearly believes that Shakespeare had his tongue in his cheek when he wrote that male-oriented con-clusion. Petruchio's appeal to the audience, that if any of them knows a better way to curb a headstrong wife, "let curb a headstrong wife. "let him now speak," is followed by a pause of almost half a minute. (On Friday a low voice from the front of the stalls offered an inaudible suggestion, "No," said Petruchio, "it doesn't rhyme.") At the end, when we should all be won over by Kate's speech, Bianca and the Widow are obviously in the opposition camp still, and the men are concerned only with their wagers.

Petruchio, faintly suggesting that Sly dreams the whole thing. It is a maryellously

funny performance, played in music-hall fashion with one eye

on the audience and the other

on the stage. Like much else

in the evening, it goes to extremes, Petruchio's first won-ing of Kate leads quickly to a

wrestling-match, in which Kate defends herself pretty well

before succumbing to a pinfall.

A good day for servants: much importance. Mr. David Suchet makes Grumio into a down-market Figaro or Sganarelle, and Allan Hen-drick's Biondello bustles about, for it sets a most excess that is maintained all the evening and ensures that we just as his Costant treat the brutal events of the main plot (not to mention Kate's order. (This Biondello will grow up to be Malvolio). A small brass band, sometimes a single euphonium player, and then with surrealist irrelevance; or more relevantly at such occasions as Kate's delayed wedding, where the anguish is amplified by a rainstorm,

There's no happier evening Shakespeare did, the only sub- to Shakespeare's lines. Jonathan unless it's Love's Labours Lost

entering on her prime, for that

exquisite tact with which he

sometimes supports sopranos

past their first youth, Mr.
Parsons treated himself—and
us—to playing that gleamed
with polished enthusiasm.

London Festival

Ballet for China

will become the first Western

balelt for 20 years to perform

The London Festival Ballet

not taken root in Moscow. Nor, for the most part, did the singer's histrionics exceed the limits of routine operatic semi-Nesterenko as the fanatic phone (though they undertook leader of the Old Believers, them with fine eye-rolling intensity), a pity in an opera intensity), a pity in an opera walk on, sing (magnificently) to those of most opera houses that was meant to eschew con- and walk off, should have con- and the full-blooded choral further suggestions of secret veyed so much cold, visionary sound was propertly stirring.

Wigmore Hall

### Rosemary Brown

by DAVID MURRAY

writes down pieces of music at her piano, with only rudi-faithfully, mentary musical training. These Her ou literacy aside, two things make this enterprise remarkable.-when taken together; neither would be extraordinary in itself. One is that she believes herself to be writing from dictation

There may be readers who other is that the pieces often styles of the composers haven't heard of Mrs. Brown. capture the tone, and indeed question, though there is She is a widowed housewife who the keyboard manner, of their curious

Her output includes some On Saturday afternoon, Mrs. Brown introduced a recital by

Chopin, Brahms, Schubert, Rakhmaninov and Liszt." It given directly to her by the should be said that hardly any and or crudity or both, of the composers themselves; the of the music develops the later formal construction.

question, though there is curious "Grubelei" which putative composers extremely really might be late Liszt usually the manner echoed i mentary musical training. These pieces recreate the styles of small works that might be period of the composer's work various composers, all of them accepted, if found in some well-known and dead. The questible place, as obviously recent composition in the recital, a "Beethoven" Sonate authentic. that of an earlier, more familia in D flat (not a key much ex plored by Beethoven when he Timothy Carey of "recently was alive). Here it was harde received works by Beethoven, to ignore what is characteristic of most of Mrs. Brown's longe

### Halle to perform Fireworks Music from a raft

Staffordshire border, during a something spectacular." fireworks display. Mr. Gordon Clark, director of

the Arts Society at Abbots-holme Public School, Staffordshire, where he is a master, said that the excavator firm of J. C. Bamford at nearby Rocester, Staffs, who were sponsoring the concert, had built the 50 ft x concert, had built the 50 ft x society's silver medal went to Boys. Most original programme 50 ft raft, which would be tried on water next week by 100 boys and girls from the school. Mr. Christopher Ralling for his bery for Lost Boys. The Löst Will be the first time that a Charles Darwin.

The Halle Orchestra have agreed to perform Handel's formed floating on a lake. They May 31, between 8 p.m. all have quite readily agreed to the 10.30 p.m. About 2,000 ticket from a raft on a lake at Sudbury Hall, on the Derbyshire that we thought we would do Clark said: "We expect to sell the substitution of the concert of the said of the s

The raft will be floated on easily."

Silver medal for Darwin series

Two BBC television series took Other awards: Best per Royal Television Society awards formance—Ian Holm, as J. M. in London last night. The Barrie in the BBC trilogy Los

the remaining 300 tickets quite

RUGBY BY PETER ROBBINS

### Radical change brings problems

a result the style of the game victory over England, arms has changed quite radically.

There are unmistabably. more chances to attack and dignity and quite alien to the more space to use than ever spirit of the game. before and so there are wider opportunities.

vity of 30 men for 80 minutes field. on a Saturday afternoon. We must also consider the traditions and the whole ethos in how and where is is spent, because although many advan- but thankfully those companies tages have accrued from the who provide rugby sponsorship spread of and enthusiasm for have been sensible enough to the game, progress has brought be guided by those they sustain.

known, but I also worry about clearing banks, for their supsuch things as poor crowd port in producing important three years and has merely behaviour. It is extraordingly consider the producing important three years and has merely behaviour. It is extraordinary coaching pamphlets and the that even the Scottish Rugby like. Union has had to make a prosilence when kicks at goal were England. Their money goes being taken. Cardiff Arms Park directly to the clubs in increas-

raised like some Messiah, seems to me to be totally lacking in

It took time for sponsorship to be accepted by the establish-When we talk about the game ment and rugby's administrawe do not just mean the acti- tors move cautiously in this

> Obviously any company investing money in sport wants a say at their level for other wider

The Rushy Football Union My views on the growing has cause to be grateful to violence in Rugby are well several bodies, notably the

But John Player was the first gramme appeals this season for major sponsor of Rugby in used to be well mannered but ing ratio as the club progresses is no longer. In the competition. This year

surprise to find that Thorn was putting £180,000 over the next three years into the county championship. At first sight this seemed the wrong area to invest in because many believe that that competition is an anachronism, However, I understand that the objective is for counties to release other funds.

Of course every sponsor wants to see his particular event a national success and it can be safely said that Schweppes has a winner in its support of the WRU Cup.

asked that as wide an area as players should benefit and especially the young. On Saturday, Bridgend and Pontypridd played to a full house with Bridgend winning an absorbing game 18-12

I also find it quite sickening the reserve fund receives great depth of talent the Welsh thwart Pontypridd and so to that players throw their f6,700. With the Bowring have. Both sets of half-backs round off their centenary year clenched fist to the sky after group giving vital and general were skilful enough to put any in the best possible way.

THE PAST 20 years have seen scoring a try. The picture of support to the Varsity match, of them into an English jersey tremendous changes in the J. P. R. Williams on the bal- English Rugby seems well and the play of the Bridgend laws of Rugby Football and as cony at Cardiff after the Welsh sponsored. . It was, therefore, as pleasant was most impressive.

Admittedly, Pontypridd kicked rather poorly but Williams was always there to cover and launch a counter-attack. The Bridgend passing was also crisper than anything seen at Twickenham and, of course, there was also Fenwick's boot to stress the necessity of that particular skill. What a great asset he is to his club and country. Bridgend also had in Viv

Jenkins, their left-wing, their quickest and most adventurous man on the field. They also had the marvellous support from their flankers Jones and Gareth Williams. This pair also extinguished any Pontypridd attack and in a match between two fluent ball playing sides the struggle between the two back rows was crucial. Seldon and David were heroic for Pontypridd and were a great threat when their side rallied late in the game. Unlike Moseley. Bridgend had done enough and had enough defence left to

SOCCER BY TREVOR BAILEY

### Palace hit form at the right moment THEIR 2—0 victory over Notts gifted Hilaire delicately in occurred on several occasions. fuse his own side, almost at County at Selburst Park on fillrated the County defence Crystal Palace are interesting much as the opposition. Saturday, combined with the before providing Swindlehurst fact that only Brighton of the with a perfectly weighted pass

table, they have a game in hand over the three other con-tenders, while West Ham, in fifth spot, have virtually dropped out of the race. This accounts and were unluckly not means that two wins would leave them undisputed champions, and three points guarantee their going up whatever happens to the others. It is now up to Palace, with the big threat not coming so much from Orient and Burnley

much from Orient and Burnley than 10 genuine scoring chances, whom they have to meet but before their efforts were finally from themselves, because they are inclined to panic under a team enjoys so much of the pressure and turn to physical effort, instead of football for salvation.

four other contenders secured a from which he scored with a win from a home fixture. has splendid shot on the turn. The bolstered Crystal Palace's home supporters roared their chances of promotion just when approval and then, until the it was beginning to look as if rampaging Murphy put the this young and comparatively issue beyond doubt, with a inexperienced side would have spectacular shot in the closing to wait another season for First minutes, spent what must have been for them, just about the Although at the moment most entertaining, exciting and occupying fourth place in the nerve-racking afternoon of the entire season.

A goal down, the visitors superbly promoted by Masson in midfield, set out to level to do so in the first half. They produced much fine creative play in which they hit the bar. post, and exposed many chinks in the Palace rearguard.

After the interval Palace took command and created no fewer rewarded near the end. When game, but is unable to turn the constant pressure into goals

to watch, with a positive, attracing young players. The three who caught the eye and imagination were a full-back, a halfmost encouraging for any team seeking that balance in all department's which is so essential. Sansom is already one the best attacking left-backs in the country. Built low to the ground, but on broad lines, like so many great scrum-halves, he very hard to dispossess.

Totally involved midfield players able to dribble past opponents and storm through from behind to score have been an important reason for Liverpool's success. Murphy, in his that mould.

took an early lead when the counter-attack and this nearly when his skills sometimes con-

The talents of Duncan McKen tive style, and several outstand- zie have never been fully ex ploited, and Rodney Marsi ought to have had an even more distinguished career. Many back and a forward, which is brilliant individuals have failed to make any major impression after a few rave notices. Will Terry Venables to guide him Hilaire should escape that fat and could become a great foot baller. This small coloured bo has the ability to beat an ex has speed, tenacity, skill and is perienced defender from . standing start in a confine If Palace make the First Divi

sion, they will need strengthen ing. This was very apparen on Saturday, when they not only missed too many chances, a first full season for Palace, has they have indeed all season shown that he is fashioned in but were not tight enough a the back, though they posses Having a genius around an excellent defensive record should be the dream of every One imagines that their manage manager, but for many it has will be looking out for a quality proved a nightmare, because marksman, an industrious half slotting a player of exceptional back with the ability to hit ion there is always a danger of individual ability into a team as well as short passes, and After a nervous start Palace being caught out by a quick can be a problem, especially additional cover for his real

### FINANCIALTIMES **Backen House, Cannon Street, London Ecap 4By**

Telegrams: Finantime, London PS4. Telex: 886341/2, 883897 Telephone: 91-248 8000

Monday April 30 1979

### An American enigma

IN THE last month, the U.S. ill-prepared for them: but this business community has been puzzling over a remarkable spectacle. The Carter administration, previously known for a populist distrust of bankers, has been pressing for a further tightening of credit. The Federal Reserve Board, responsible for the monetary part of the fight against inflation, has been resisting until the past two or three days. Despite New York jokes suggesting that Mr. Blumenthal of the Treasury and Chairman Miller at the Fed have exchanged speech writers, the explanation is, in fact, quite simple: the Fed and the Treasury have had different readings of what is happening in the economy. They are not the only observers who are

#### Contradictory ...

The main indicators, if taken at face value, tell a contradictory story. The disturbing rise in the inflation rate, the persistently high demand for credit, and the current crisis over oil imports all suggest an economy which still urgently needs cooling, apparently con-firming the Treasury view.

On the other hand, the most recent figures for national out-put show a sharp slowdown; and even if this were attributed to the harsh winter, the equally sharp slowdown in the growth of real consumer incomes is not promising for a recovery. The welcome improvement in the current account of the balance of payments and the improved standing of the dollar in currency markets also argue the Fed's case that the measures already taken since November 1 have been adequate. Mone-Tärists, led by Professor Milton Friedman, have indeed begun to express concern about a possible overkill.

No outsider can possibly offer a firm judgment on a matter where the resident experts diseither. For the Americans, the aftermath of a sharp devaluation is a novelty; for us, it is

more familiar. ported by appropriate fiscal and money, Externally, an improved resources into the balance of modate it in their policies. payments. These changes may It will be a final irony if the sion, especially if they are for four years, now exports its abrupt and if the economy is potential recession.

is a probability, not a rational

The U.S. economy was well prepared in a number of ways. First, industry has been wellplaced for a slowdown; stock levels have not been allowed to rise, and investment has until recently been only too cautious. There has also been time to prepare for an orderly shift of resources into the balance of payments, especially by way of import substitution —led in many cases by new U.S. plants built by leading

All this suggests that a slowdown in consumer demand, which seems inevitable at present, need not imply a recession in output; and revived investment demand, supported by improved profits, is a further helpful factor. So, on a smaller scale, is the growing boom in aircraft buying, to meet the demands of rising traffic and the need for improved fuel economy.

There are still some very disquieting signs in the U.S. it is true. The wage outlook is likely to be sharply worse, after the in domestic prices—though not so bad as it would have been had the Administration enacted its dangerous proposals for real-wage insurance. Energy shortages could be disruptive. and the continued, though slowing boom in consumer borrowing, especially on second mortgage, remains an inflationary

On the whole, however, there seems a reasonable chance that the U.S. economy will for some time continue to perform better than most forecasts in real terms, with an improved balance of payments offset by a price performance far worse than Administration forecastsagree so sharply; but there is now admitted to be over-tio need to admit total defeat optimistic. The main internal danger is monetary: the Fed appears to be losing control of the monetary system, and in a slack system, rising inflation An effective devaluation, sup- could still provoke a flight from credit policies, has two un- U.S. balance of payments, on ambiguous effects: a transfer of top of a rising OPEC surplus. real income from wages to could be sharply deflationary if profits, and a transfer of real other countries do not accom-

### **Problems** in engineering

micro-processors and other forms of advanced electronics it is sometimes forgotten that the mechanical engineering industry, much of it producing fairly conventional plant and machinery, remains the bedrock of Britain's export performance. Last year it accounted for 18 per cent of UK exports. More important, the trade surplus in mechanical engineering was almost 60 per cent of the total surplus in manufacturing. The strength and competitiveness of this sector is of vital importance for the rest of the economy.

Thus the latest report the industry's short-term prospects, published last week by the Engineering Employers Federation, makes uncomfortable reading. The condition of the industry is far from healthy. The report notes that "the disappointingly small increase in industrial production in 1978 leaves the mechanical engineering industry with little or no benefit in its home market from the oil-induced economic boom," while the side-effect of North Sea oil—the strengthening of sterling—has made export business less profitable and more difficult to obtain.

### Capacity

Despite the recovery in capital investment last year, which is expected to continue at a slower rate in 1979, demand for mechanical engineering products in the UK is still probably below the 1973 level. Most of the industry's customers are operating well within their capacity limits. Their investment seems to have been geared mainly to the essential replacement of plant and machinery whose renewal was deferred during the 1974-77 period when profitability and liquidity were at their lowest. Although there should be some bright spots, notably the large capital spending programmes at Ford and BL, the engineering industry expects investment to cease growing, and possibly to start falling back towards the end of

Cutbacks in other Middle symptom of declining the Owens in fashionable the war, and have in theory Narrow Street, Stepney.

IN THE general enthusiasm for Nigeria have made matters worse. There are hopes that China may partially fill the gap, but except for a few sectors such as mining machinery, most manufacturers are still waiting for Chinese inquiries to be turned into firm orders.

Last year almost 80 per cent of the industry's trade surplus was accounted for by the Middle East and other developing countries. While this under-lines the UK's dependence on continued free trade with those countries, it also reflects the relative lack of success within Western Europe, particularly the EEC. The UK trade balance with EEC countries in mechanical engineering products showed a rapidly increasing deficit during 1978. Export prospects this year should be better, particularly in Germany, but British sales on the continent still suffer from shortcomings in product quality and

In the other major developedcountry market, North America. there should be substantial opportunities for particular sectors of mechanical engineering. The high level of activity in the U.S. aerospace and motor industries should provide plenty of scope for makers of machine tools and components. But there is concern about the increasing price competitive-ness of U.S.-based manufacturers—a concern that will be heightened if the U.S. economy moves into recession and the American engineering industry looks more aggressively for exports.

### Home market

in marketing.

One of the tables published in last week's report shows estimates of recent changes in the volume of the industry's net sales, exports and imports. The only item which showed a volume increase between 1975 and 1978 was imports. The trade balance declined and although exports as proportion of sales were unchanged at 42 er cent, the share of imports Overseas the industry has had in the home market rose from to cope with the virtual dis- 26 per cent to 31 per cent. This appearance of the Iranian erosion in the industry's home market, which had accounted market position is less dramatic for more than 3 per cent of UK than in the case of passenger mechanical engineering exports. cars, but it is a disturbing an old friend and neighbour of

### What really went wrong at Three Mile Island

By DAVID FISHLOCK, Science Editor

Bradford confessed to his four outside world. fellow commissioners on the . In the fearful days which Government's Nuclear followed, the eerie silence of Regulatory Commission (NRC) the stricken plant, the paucity at one point in the long hours of information from its owners. of discussion which followed the charges and counter-charges. the reactor accident on Three of "foul-ups" between govern-Mile Island. Pennsylvania. He ment safety officials, owners and spoke for them all. The tran-manufacturers all encouraged scripts of their discussions the hundreds of worried make plain that of the five reporters who gathered to draw regulators only their slight, silver-haired chairman, Dr. Joseph Hendrie, had any real Joseph Hendrie, had any real the newly released Hollywood understanding of how America's film The China Syndrome, Star-

weeks ago, shut five U.S. runs into difficulties. For a reactors temporarily when their staff detected weaknesses in Jack Lemmon as shift super-their earthquake resistance, visor—are clearly nonplussed, they could scarcely reject the case for shutting down all Babcock and Wilcox reactors in the U.S. In the event, however, they are being closed volun-tarily by the electricity industry, thus avoiding a difficult technical decision for the five

reactors work.

Mr. Bradford, for instance, is no technical expert but a brilliant young lawyer, only 36, once an associate of Mr. Ralph He was appointed by President Carter to the NRC—broadly equivalent to Britain's Nuclear Installations Inspectors 12 than two years ago. to represent the "environmentalist" viewpoint. By the end of one of their many meetings Chairman Hendrie was joking: "Another couple of incidents and we'll have you ready for a licence in nuclear engineering."

The "incident" at what today is the world's most famous nuclear reactor began at precisely 4 am on March 28, when local residents were rudely awakened by a violent whistling. Not least of the ironies of the accident is the fact that this first squeal of anguish—as the electricity plant dumped excess

PRESSURISER

TELL YOU, I'm learn- steam through a safety valveing a lot. This is an was almost the only tangible education," Mr. Peter evidence of its agonies to the

upon the one vivid source of information available. This was 145 electricity-making nuclear ring Jane Fonda as a reporter who happens to be in a nuclear But as the men who, a few reactor's control room when it while the operators-led by then brought to the verge of panic by conflicting signals from

#### Popular film

the machine they revere.

The China Syndrome Introduces a new word to popular language: meltdown. The title a big ball of molten uranium, the seething mass might bore a hole right through the earth to pop up again in China. In the film the plant operator gives the girl reporter a dramatic description of such a meltdown-as fact.

On Three Mile Island stand two nuclear generating plants operated by a small U.S. electricity company called Metro-politan Edison. This privately owned company is one of three which form General Public Utilities Corporation (GPU). an electricity company with about 8,300 Mw of generating

capacity—say, one-sixth of the though this was a fairly com-capacity of Britain's Central mon occurrence with Babcock its subsidiaries in 1969.

GPU is among America's reactor. experienced most capacity generating nuclear. nuclear generation.

Unfortunately, it would seem that this corpus of nuclear experience was not spread uniformly throughout GPU. Mr. Dieckamp, formerly chief of a large nuclear engineering group, attempted before a Senate inquiry last week to put up a brave defence of the actions of Metropolitan Edison in an accident which, he admitted, must have a profound impact on the future of nuclear "If this accident is viewed simply as a matter of management or operator failure, the full significance of this experience will be lost." It was the result, he told Senator Gary Hart's committee on nuclear regulation, "of a complex combination of equipment malfunctions and human

#### Blue ribbon inquiry

For the last word on this matter we will have to wait at least until President Carter's blue ribbon" inquiry commission reports in-six months' time. Other major investigations are being made by the NRC and by the huge task force of 800 engineers and others assembled under Mr. Dieckamp himself to take care of the hapless reactor. The task force includes top-flight people from rivals of Babcock an escape of radio-activity. Such and Wilcox, such as Mr. Fred an explosion within the pres-Stern, Combustion Engineer- sure vessel, the engineers later "vice-president for doing things in one hell of a hurry," occur. Their problem was how as he is described by Dr. to bleed off a lot of hydrogen-Hendrie. Already enough has quickly from a system for which emerged to show starkly that grave errors were made in the control room.

From Mr. Dieckamp's own testimony it can be inferred that Denton, director of the NRC's the operators probably made six office of nuclear reactor regulato have a crucial emergency became something of a folk hero feedwater valve closed which —girls wear tee-shirts declaring the safety officials stipulate "Harold Denton can fix my must always remain open while reactor any time." Asked the reactor is operatin. In fact, whether people need be afraid it had been closed for two weeks. before the accident.

the atmosphere. The low-coolant water level within the" reactor allowed the upper ends of the zirconium tubes to come

into contact with the hot, highpressure steam circulating in the system. They reacted chemically, dissolved and allowed fuel pellets to be scattered around;

serious errors—three of them tion, who had taken charge of sign of trouble. But the first, for reactor back under full control. which they may be in breach of left the Three Mile Island contheir conditions of licence and fident that there was no further thus open to legal action, was danger. To local residents he it had been closed for two weeks to live near the reactor, he Then, in quick succession, to this plant than a coal plant."
they failed to recognise that the
safety valve whose whistle first
force under Mr. Dieckamp conaroused local residents had time to make sure that the failed to close properly, even heat from residual radioactivity

Electricity Generating Board, and Wilcox reactors. They falled It serves about 4m people and to notice that water they were had the distinction in 1964 of pumping into the reactor was being the first U.S. utility to overflowing into the containorder a big nuclear plant, the ment, carrying with it radio-Oyster Creek station, brought activity. And they turned off a into operation by another of pump whose job is to provide emergency cooling to the nuclear . In the next hour or two the

operators. By the end of last operators failed to close a blockyear about 38 per cent of its ing valve, so the system conwas tinued to lose its cooling water. Its chairman and Steam built up in the cooling chief executive officer, Mr. circuit so that, as one observer William G. Kuhns, and its put it, "the pipes in the place president and chief operating were all vibrating like mad." officer, Mr. Herman Dieckamp, Then the operators made what are respected figures in the U.S. was probably their most serious nuclear power industry. Its blunder. They turned off the 1,000 nuclear employees have noisy, steam-clogged pumps, 17 years experience of nuclear depriving the reactor of its plant and 13 reactor-years of main feed of coolant.

Mr. Dieckamp, who had evident difficulty in simplifying a highly complex sequence of events for his audience of politicians, coined a masterly euphemism to explain the over-riding consequence of all these errors. They led he said to "severe undercooling of the reactor core." In other words, the fuel became very much hotter than it is designed to operate.

reactor consists of pellets of a ceramic-uranium oxide-with very high melting point, packed into long vertical tubes of zirconium alloy. These tubes, hanging vertically in the reactor core, are the first of three lines of defence of the reactor against the escape of radio-activity into

the reactor. This produced strong case for closing tem-copious volumes of hydrogen strong case for closing temcopious volumes of hydrogen porarily at least—all of the gas, to form a big bubble which Babcock and Wilcox reactors. —unlike steam—could not be It was put last week to the five condensed back to liquid and commissioners of the NRC by pumped out of the reactor.

The problem here was never. as was widely reported, the danger of an explosion that second line of defence against concluded, could not possibly the contingency had never been expected, so that cooling could be fully restored. Early last week Dr. Harold

replied: "I'd rather live next

Control room of Three Mile Island 2 nuclear plant with (from left) Dr. Harold Denton of the NRC and Pennsylvania Governor Richard Thornburgh briefing President Jimmy

Carter on the reactor accident a week previously.

some three megawatts, one past the fuel is not well under-thousandth of that of the stood, especially when upset by feactor at full power—cannot the presence of a hubble of gas. cause any further leaks of radioactivity. Then they must tackle the unpleasant task of repairing Nuclear fuel in this type of the damaged reactor core and (boiler) dried out in the accident. The steam generator has probably been irreperably damaged. But the reactor core, it is now believed, may be much less severely damaged than has been forecast, to judge from the way coolant water is able to

### Not properly understood

circulate. There is no evidence

that a meltdown of even one fuel assembly ever began.

Nevertheless, there was a -commissioners of the NRC by → Dr. Denton, who said that the choice lay between shutting plants now, for one, or more months, or finding remedial sel and breach the reactor's he release which could quickly be taken to avoid any risk. Requests to the nuclear industry. to suggest remedial measures had had little success. Dr. Denton's case for closing

to its steam generators, that is, to the "transients" in feet-Moreover, these transients have been occurring at a disturbingly high frequency in the cost of its capital, he high frequency in the nine U.S. plants of this type—an average of two per plant per year. Second, its control systems for both normal and emergency feedwater supplies have deficiencies; that is, they do not respond automatically to

Mr. Denton's third point is that plant response to transients in this design is not properly

And fourth, the safety precautions for Babcock and Wilcox reactors need to be brought upconol

n the

Altogether, nine U.S. reactors owned by five different utilities, are affected, totalling 7,200 MW of electrical capacity. They include both reactors on Three Mile Island, the first of which was about to return to service after refuelling when the accident happened, and was promptly shut down again by Metropolitan Edison. For Metropolitan Edison

there can be no coubt the situation looks had. According to the annual report of GPU, just released, even before the accident top priority for the Board was to secure permission to increase electricity charges in order to cover the \$700m capital cost of the new nuclear station, commissioned only last December. Permission was granted six days before the

### Electricity costs.

Mr. William Kuhns, chairman of GPU, spelled out the problem to a Senate hearing last the plants rests on four points. Iem to a Senate hearing last the plants cost and Wilcox week. With two plants down it design of pressurised water is blying electricity from other reactor is more sensitive than buildies at a cost of about \$24m rival designs of PWR to abber a month. But it is forbidden at rival designs of PWR to abber a month of this cost rival designs of P.W. in ander present to pass any of this cost rations in the supply of water present to pass any of this cost ratios steam generators. That is, on to customers. If it is unable to pass on any of the cost of having these reactors out of water supply which initiated the action, the price to the utility accident on Three Mile Island, action, the price to the utility action.

For the U.S. nuclear industry as a whole the price could prove still harsher. Already there are signs that the accident has prompted the formation of a grand coalition of opponents to nuclear power, who plan to march on the White House next Sunday. In forecasting that the accident has set the U.S. nuclear industry back from one to three years, the Atomic Industrial understood. In particular, the Forum, the industry's trade path for heat removal by association, may be taking an natural circulation of water optimistic view.

### MEN AND MATTERS

CONTAINMENT BOUNDARY

### Island issue comes home to roost

"Good Lord, no. We're not campaigning against David Owen or anyone else," Grenville Jones told me in mildly horrified tones. All the same, the all-party Justice for the Bana-bans campaign—of which Jones is secretary—is fond of pointing out the marginality nature of Owen's seat in Plymouth (2.259 majority), and that of two other Foreign Office Ministers-Frank Judd in Portsmouth, with an edge of 1.345, and Evan Luard in Oxpord, with 1,036.

The treatment by successive British Governments of the Banaban Pacific islanders, whose homeland was wrecked by phosphate mining, might seem an election issue of marginal importance. But in a marginal seat even marginal issues signify.

And particularly in Plymouth and Portsmouth, there is strong support for the Banaban's case, in part because after the war the islanders contributed aid to help rebuild the war-damaged cities. (The debt was recently repaid by means of handsome civic contributions to the cam-

The Banabans are nearly all Methodists, and the Methodist Church, particularly strong in the West Country, has cam-

Lord Chancellor, then Sir Elwyn Jones QC, not issued a writ against the British Government: the case that followed was the longest in British legal history. A further irony is that the BBC film "Go Tell it to the Judge" which further publicised the story was made by Jenny ket forces at work. Barraclough. Her husband Doctor Michael Barraclough is



"They seem to have heard it all before, Prime Minister. There hasn't been a single call."

Whether this unlikely issue helps topple Owen remains to be seen. "Owen has been no better or worse over this issue than his predecessors," says Grenville Jones even-handedly.

### Poles apart

A publisher in Poland is set to embark on a venture certain to raise eyebrows in more conservative Communist circles. Wydawnictwa Artystyczne i Fil mowe (Artistic and Film Pubthe West Country. has campaigned vociferously on their behalf.

The irony of the situation is that no one would have heard of the Banabans had the present Lord Chancellor, then Sir Flynn.

tury — he called it "The Polish Crown in her Golden Liberties adorned by all the ancient coats of arms of the Sees, Provinces and the Knighthood." Which might sound an unpromising title for a bestseller, unless one reckons with the unusual mar-

The Polish aristocracy and

just that reason, books on heraldry fetch astronomic prices at antiquarian auctions.

Pountain. So Martin will not be receiving compensation, having resigned voluntarily? Sadly for the ex-nobles at home there is little chance of domestic demand being fully man on a building site," satisfied. The pre-publication Pountain. "If you make brochure being distributed in London shows that the project is also aimed at bringing in some much-need foreign currency . .

The non-democratised aristo-cracy in exile will no doubt appreciate the irony of it all as they leaf through the Com-munist-printed "Polish Crown in her Golden Liberties" to check the credentials of their dinner

### Yoked nest-eggs

Amid general acclaim for the measures to protect depositors enshrined in the new Banking almost unnoticed: the Act by a person who at the time... manager of the institution, or the wife, husband, son or daughter of such a person."

Depending on what "mana-er" is thought to mean, this phrase may cause a certain dismay among those who feel that, in the event of a crash. their private nest-eggs could be cracked to prepare a consolatory omelette for everyone else.

A trifle ambiguously, the

Treasury says it appears that only the families of senior men. responsible for a bank's solvency, will be affected. "I doubt if an ordinary branch manager would need to worry." said a spokesman. "But certainly if a wife has any doubts she would be better off putting her money elsewhere."

### Fairly absolutely

It would not be right to suppose that Robin Martin, who resigned on Thursday after 17 years as gentry were, of course, chairman of the Tarmac group, thoroughly democratised after was sacked by the Board. "Absolutely not," according to stayed that way. Perhaps for the new chief executive Eric

Well, no. Compensation is being considered. "It's like a Pountain. "If you make him redundant you have to pay him something."

### Mission message

On the west coast of the U.S. there is at least one resident (whose letter I have in front of me) feeling somewhat baffled by the tones of an appeal from the Most Reverend Denis Hurley, the Catholic Archbishop of Durban in South Africa,

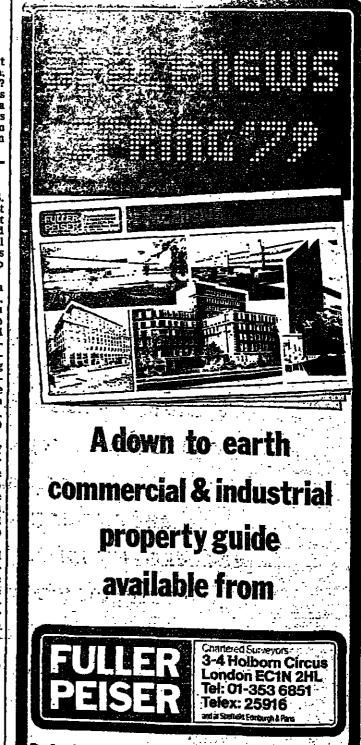
The appeal, in the form of a "personarised" mailing shot, seeks donations for a Zulu Mission. But also woven into the letter are some political Act, one paragraph has gone statements; for example: "Wellmeaning people in many counexcludes from protection tries feel that by imposing deposits "paid to an institution sanctions and withdrawing business interests they will influence a change of government in South Africa. Unfortunately, these actions cause suffering to those they wish to help . . .

Although that is a point of view often expressed, I gather it is hardly one likely to come explicitly from Archbishop Hurley. His radical views have in their time provoked an attempt by a Right-wing Afrikaner group to petrol-bomb

He says that the U.S. appeal letter "certainly does not ex-press a change of policy in the Church." In fact, I gather there are some red faces in the archbishop's secretariat: the letter was drafted, and his signature. attached, without his know-

### Don't forget it

Heard from a woman to her small son at a London exhibition: "Now remember, Ian-if you get lost, come right back



Professional property advisers to industry & commerce

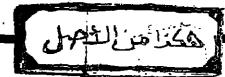
هكنامن لتجهار

With

DION

### FINANCIAL TIMES SURVEY

Monday April 30 1979



# Argentina

General Videla's two years of authoritarian rule since the 1976 coup have turned Argentina back from bankruptcy and encouraged financiers to flock to Buenos Aires as the country's financial strength surges. The problems that must be tackled now are the galloping inflation rate—the world's highest—and the bitter and violent political undercurrents.

### **Economy** back on the rails

Hugh O'Shaughnessy

FOR THE past three years of the world banking conoffering ever more mouthwatering terms for loans. Part of the reason for the flock of liquidity in the banking centres found among the members of the northern hemisphere, the military junta, who shared but a good part too was the fact power with Videla. that in the Argentine capital there was a group of people, led by one man Sr. Jose Alfredo Martinez de Hoz, with whom the bankers knew that they

Sr. Martinez de Hoz became the Minister of Economy and meet its most pressing interundisputed economic overlord of Argentina within a few days of the coup detat of 24 March, 1976 in which General Jorge Hoz bought time for Argentina petition.

Rafael Videla overthrew the to pay. He was helped by crumbling, chaotic and dis-credited Government of General gave Argentina a trade surplus Peron's widow, President Maria of \$1.04bn, the following year crumbling, chaotic and discredited Government of General Peron's widow, President Maria Estela Martinez de Peron.

In the past three years he has \$2.4bn. had free rein to select his As a policies, and he has had some Hoz's tremendous strokes of good luck. He has not had to worry about party political opposi-tion or trade union pressure. General Videla put the parties and the unions in a muzzle.

The incoherent policies of a President who was constantly on the point of nervous hysteria neither the force of personality nor the intellectual capacity to rule a country the size of Western Europe and a fractious Argentina has been the darling population of more than 25m were done away with. General fraternity, and financiers have Videla put his trust in the beaten a path to Buenos Aires, orthodox economic liberalism of the Old Etonian Martinez de Hoz and protected him from the assaults of the critics even lenders was the extreme when these critics were to be

> The Economy Minister moved fast to capitalise on his own personal acceptance in foreign banking circles and on the relief felt by Argentina's creditors that the country's bankruptcy and inability to

extensive branch network at home

and abroad, complemented by its

the potenciality of a country

representative offices

that engages actively

international financing.

in world trade and

As a result of Sr Martinez de Hoz's good luck and good management, the days of bankruptcy are over and Argentina's international reserves approaching \$7bn.

The turnround in the external position has been dramatic and is reflected in the favourable rate of the peso against the dollar, which makes Argentina one of the most expensive places in the world for a foreigner to live. Conversely what was a joke a year or so ago that only rich Argentines could spend their holidays in an Argentine resort such as Mar del Plata while the poorer Argentines were condemned to spend them in some inhospitable place like Miami or Cape Town has taken on reality. In the summer season just ending there has been tremendous demand for aircraft seats from Argentines eager to take advantage of the cheapness of the dollar.

In the internal sector General Videla and his minister have pushed through a set of measures aimed at controlling the inflation which in early 1973 was running at around 50 per cent a month, cutting the budget deficit and opening the highly protected Argentine economy to the winds of international com-



imposition of policies has produced some curious results. Last year the gross national product fell by 4.1 per cent, and the fall in production around 7.9 per cent. But at the same time the financial sector

The recession has brought no great upsurge in unemployment, which today stands at only 1.8 per cent of the workforce according to official figures. The explanation appears to lie in the need of many of the more poorly paid to find one or two jobs at that the strong Videla-Martinez any cost and any wage, and in de Hoz axis would continue

junta to avoid at all costs a pool of unemployed who could create political trouble for General Videla.

At the same time the rise in the cost of living, while not on the threshold of hyper-inflation such as was the case during the last days of the Peron Govern-ment, is still beating world records. Last year the official index of inflation was 169.8 per cent. Realists say it should more accurately have been put at around 220 per cent.

Gross fixed investment fell by no less than 10.7 per cent last year and there are few signs, if any, of new investment by private business.

The question is now being posed in Buenos Aires as to whether these results are sufficient fruit for years of authoritarian Government that General Videla has imposed on the country and whether there will not be a political reaction to the Videla-Martinez de Hoz scheme of things which will bring down the whole fragile edifice once again. The lack of any great commitment to invest by the private sector appears to suggest that many businessmen think that this is exactly what will

As is the wont with most governments, the Argentine Government puts forward a very optimistic assessment about the future. One senior official argued to me earlier this month

until 1981, when the General is plosive one. Leading general expected to step down from office. He added that he extics cannot be banished pected General Roberto Viola. ever, while Mr. Raul Castro, th the army commander and Videla's man, to become President in 1981, Videla himself that labour relations are go to be unsettled in the comit returning to power in the elec-tion in 1985. He argued, too, months. There are constan rumours that a general strik that the present administration will be called very shortly. was more popular than it seemed because the reform of At the same time there signs of tensions among faction

in the armed forces and amon interest rates gave the ordinary saver in the street a chance of the armed forces themselv benefiting from the positive ex-change rate for the first time The renewed spate of kidna pings, political murders an bank raids are seen by man in a long while. The appearance of long-forgotten consumer as the work of the extrem imports in the shops was a benefit about which many Right. Meanwhile, the grou of nationalist, anti-Jewish et tremists who run the magazin Argentines were enthusiastic. Cabildo and other similar pul Divided lications, appear to be enjoying

It is legitimate to have doubts about such optimism. In a counlevels of Government. The fate of Sr. Timerman, discussed elsewhei try which is so highly politicised as Argentina and which has in this survey, and of other such a tradition of political inwho have suffered worse fate stability, it is hard to take seriously political projections than his, seems to bear out th feeling that the Right-wing fa five years ahead. The political tions in government are gainly parties are certainly in no little power. What is clear is that three

disarray, the Peronists quarel-ling, adrift and disorganised, the Radicals divided and often years of military rule have n brought any nearer that sens unhappy with an ageing leader-ship, the Socialists and Commupolitical mutual respect that happing countries, such as Venezuela nists with little mass support. Costa Rica, have develope Under Videla, as under Perf After three years of control by the military, the trade unions are also in a divided and disand many other recent Preorganised state. Nevertheless, the political/ trade union mixture is seen by dents. Argentina is a ric highly educated country co many to be a powerful and ex- strife.

protection from the high

International links Banco de la Nación Argentina, with its strong internal structure and and correspondents overseas, provides a very special link reflecting

**BRANCHES:** La Paz, Santa Cruz de la Sierra and Tarija (Bolivia) - Río de Janeiro and San Pablo (Brazil) - Panamá (Panamá) - Asunción, Concepción. Encarnación, Presidente Stroessner and Villarrica (Paraguay) - London (United Kingdom) - New York, San Francisco and Chicago (United States of America) -Montevideo (Uruguay).

REPRESENTATIVE OFFICES: Bogotă (Colombia) - Santiago (Chile) -Quito (Ecuador) - Paris (France) -Milán (Italy) - México D.F. (México) -Lima (Perú) - Madrid (Spain) -Caracas (Venezuela) - Frankfurt/M. (West Germany)



London Branch: 48, Bishopsgate, London EC2N 4AJ Tel.: 01-588 6733. Tx.: 883950

### Carlés Compañía Financiera S.A.



- Time deposits in Pesos.
- Corporate financing in Pesos and Eurocurrencies.
- Syndications.
- Underwriting.
- Stock exchange operations.
- Securities.

Head office; 25 de Mayo 550 - Buenos Aires Tel.: 32-5103 - 32-1980 ARGENTINA - Telex: 012-2651 AR CÁFIN

# Economic recovery makes good progress

TO JUDGE whether "the spirit publication: "I believe that no of April 2," 1978 — the day Dr. better economic plan exists for José Alfredo Martínez de Hoz, Argentina. At this moment, Argentina's Economy Minister, Argentina has a surplus in its Argentina's Economy minister, announced his programme—balance of payments, and that still wise viewpoint. If William is an excellent card with which to do business with the whole Simon. U.S. Treasury world. Argentina has turned its economic situation around in Ford administrations, is to be believed, the spirit is manifestly the spirit is manifestly and the Banco. believed, the spirit is manifestly still with us. During a week-long stay in Argentina in March this year, Mr. Simon told a group of businessmen that Argentina "has made dramatic progress so far" in its economic recovery, adding: "You still have some way to go." Mr. Simon recalled that when Dr. Simon recalled that when Dr. Martinez de Hoz visited Washington in 1976 to explain his adopt a programme in the U.S., this is the one I would adopt."

In Buenos Aires two months record. Exports were \$6.35bn. or 12.3 per cent more than in 1977, and imports were \$3.95bn, 5 per cent less than during the previous year. In March Dr. Martinez de Hoz announced: "The crisis is over. Freely available reserves total \$6bn. compared with practically nil in March 1976, and all Central Bank foreign debts have been repaid." He said the recession was a thing of the past: "In fact, now the problem is one of not over-heating the economy."

David Rockefeller, president

of the Chase Manhattan Bank. also visited Buenos Aires in March and, like Mr. Simon, spoke nothing but words of praise for "Dr. Joe," as the Economy Minister is often

Mr. Rockefeller told the Buenos Aires weekly Mercado, Argentina's leading business

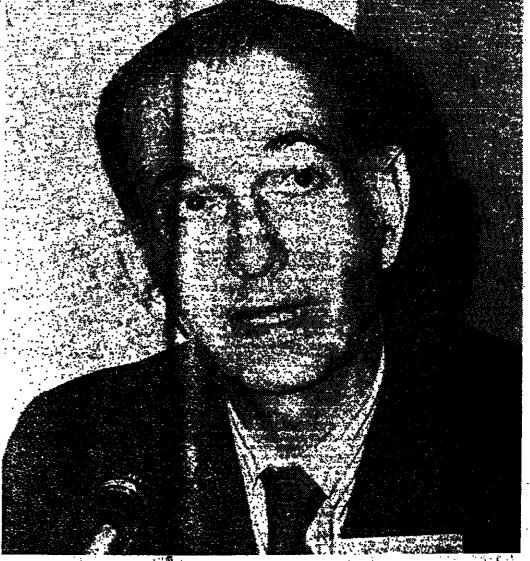
ington in 1976 to explain his plans for Argentina's economic recovery, he (Mr. Simon) replied: "If I had the ability to adopt a programme in the U.S. this is the one I." parts of a critical analysis carried in the March bulletin of FIDE, the Development ago, Mr. Simon noted, correctly Research Foundation. FIDE that in 1976, Argentina was "on the brink of bankruptcy." but that now the country "has a consequence of a deliberate positive balance of payments policy but of factors divorced and a strong financial position. The path is the correct path. Last year Argentina registered a \$2.4bn trade surplus, 61.4 per cent better in the industrial sector—the than in 1977, and an all-time negative elements which impede the positive but of factors divorced from policy—such as the evolution of the world market price of meat or the starting of projects initiated several years ago in the industrial sector—the negative elements which impede the positive but of factors divorced from policy—such as the evolution of the world market price of a deliberate policy—such as the evolution of the world market price of a deliberate policy—such as the evolution. the consolidation of a sustained Obviously, among mutable. these elements are the pressures of inflation."

> Mr. Simon was not oblivious, of course, to the poisonous effects to the Argentine economy caused by inflation, which is the highest in the world-169.8 per cent last year —nor was Mr. Rockefeller, who said in Buenos Aires: "Cer-tainly the rate of inflation is

At the time of the 1976 military coup d'etat in Argentina, inflation had reached an annual rate of 920 per cent and was threatening to rise much faster. And for the first time in its history, Argentina-with only \$23m of freely available reserves-was about to default in its external payments.

The five salient points of Dr. Martinez de Hoz's economic programme, as he announced it on April 2, 1976, logically included he problem of inflation. At the time, the new economy minister said: "There exists no real possibility of reversing the crisis the economy of the country is suffering and of achieving the objectives of the programme if control - and inflationary scourge are not taken with energy and decision." The economic team's inability to do better than it has in reducing inflation is a major disappoint-

Also a disappointment has been the failure to comply with another of the important guidelines of the economic programme. As Dr. Martinez de Hoz put it more than three years ago: "It is preferably that there be an uninterrupted and constant growth (of the gross national product), even if it is, at times, not too spectacular. What is bad are ups and downs." An idle installed productive capacity amounts to the squandering of capital, the Economy Minister explained. But, although there was an upsurge of the gross national product after the 1976 coup, an upsurge which lasted for more than a year with an interest rates crisis at the end of 1977, it began to plunge again and now is scarcely higher than it was three years ago. The wasteful ups and downs continue.



The architect of Argentine's economic revival: Dr. Jose Alfredo Martinez de Hoz

the black markets have virtue book closing of the frontiers private emergency ally been made to disappear psychologically and literally force, with the Government's although there is a tendency to world trade and participa: role one of supervision rather which really does not amount to world trade and participa: role one of supervision rather tion. In the past three years, than of rigid control."

Argentina's economy has been supplies in the financial market, deposited at high interests, instead of making reproductive investments. Similarly, price and exchange controls have virtually disappeared, although ceiling prices of some items-milk, wine, strol, medicinesremain, and measures regulat. He went on to say that an determined to break out of ing foreign trade have been entire generation of Argentine that rhythm. The recovery much relaxed. Although a lack consumers, businessmen in plan adopted in March, 1976. much relaxed. Although a lack of official statistics makes it impossible to verify whether been brought up in a closed wage levels really have been world of protectionism massive preserved, as Dr. Martinez de Hoz said they would be, it is

rere in June, 1976 is true. he has new rights, new Thirty years ago, Argentina's influence and a voice which were in June, 1976 is true. economy was in advance of will be heard." The same goes

The economic team has had countries like Canada, Austramore success in carrying out lia and Spain, and well ahead
the other three leading aims of in Latin America. "What went
Dr. Martinez de Hoz said: "They have to
programme. Speculation and said the other day, "was a textgame in a system in which
the black markets have virtus book closing of the frontiers—
ally been made to disappear—
nsychologically and discretized.

Closed

dustrialists and bankers have world of protectionism, massive state control and inflation bordering on hyper-inflation. possible that the economic "As we turn to a system in team's claim that wages today, which market forces are allowed in real values, are on the avertical values, are on the avertical values." age somewhat higher than they "the consumer has to learn that

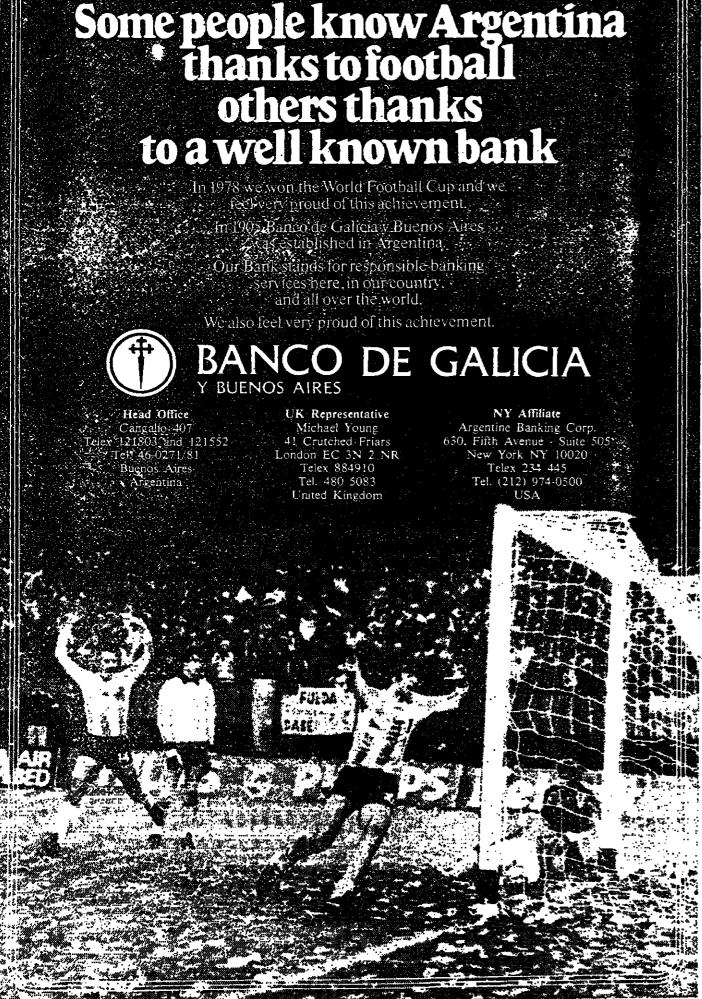
short-term solutions. transformation of the basic political, economic and social framework. The objectives of the economic plan 'are medium- and long-term, and short-term successes or difficulties have not swayed us from the long and ardous route we have chosen to take."

Robert Lindley

### SOME ECONOMIC INDICATORS

GNP per capita \$1.730 (1977 World Bank	)	-		- N		
	1973	1974	1975	1976	1977	1978
Inflation, per cent	-	40.0	335.0	347.6	160.4	169.8
Unemployment, per cent, April		4.7	3.2	5.1	3.6	3.9
Output		3.1	3.5	. 4.3	2.5	2.6
Growth in gdp, per cent	6.1	6.5	-1.3	-2.9	4.4	-
Growth in gnp, per cent	6.4	6.8	-1.5	<b>-3.3</b>	4.8	41
Trade, \$bn		•			-	. —
Exports (fob)	3,27	3.93-	3.00	3.9	5.6	6.4
Imports (eif)	2.23	3.64	3.99	2.86	4.1	4.0
Balance	1.04	0.29 -	-0.99	1.04	1.5	2.4
Net invisibles	-0.32	<b>-0.17</b>	÷0.30	-0.47	-0.3	-0.3
Current account balance	0.72	0.13	-1.29	0.57	1.2	2.1

Rate of exchange (at March 1, 1979): U.S.\$1=1,103 pesos (buying), 1,110 pesos (selling) (Transfers: Banco de la Nacion).





Lenia. ation. elis-iO of lanmone 991 ele

have a Argeni in 21 ( include 26.097

# WATER AND POWER FOR THE ARGENTINE

(AGUA y ENERGIA ELECTRICA)

Agua y Energía Eléctrica, as a decentralized Government Corporation, is responsible for the Generation, Distribution and Transmission of electricity throughout Argentina, as well as the irrigation of land throughout the country. In terms of sales, A y EE ranks among the twelve leading industrial companies in Argentina. Its 294 electricity plants (37 hydro, 241 thermal, and 16 hydro-thermal) have an installed capacity of 3,211 Mw, which represents 31.6% of Argentina's total installed capacity. It serves 8 regions (1,076 cities) in 21 of the 22 provinces into which the country is divided, and includes most of the provincial capitals. The Company operates 26,097 miles of transmission lines (low and high voltage). In addition,

it is responsible for the irrigation of nearly 741,300 acres of land in seven provinces. Agua y Energía Eléctrica is in charge of the operation and expansion of the power sector as a whole in coordination with the Energy Secretariat, and as such, is responsible for the management and operation of a substantial part of the National Grid (Sistema Nacional de Interconexión) as well as monitoring the National Load Dispatching System (Despacho Nacional de Cargas). The main objective governing this function is to allow the optimal use of generating capacity within the Grid through a co-ordination of the different utilities in the energy sector so as to achieve the most economical loading of the country's generating and transmission system.

#### THE MAJOR OBJECTIVES

Of Ay-EE's Board at present could be spelled out as: the feasibility studies, construction, management and development of irrigation projects, protection of waterways and improvement of marginal areas of the country, as well as improvements to areas susceptible to flooding; the evaluation of water resources and rivers as regards their irrigation and energy potential; the study, development, construction and management of electrical generating plants, transform stations, main transmission lines and local transmission networks as well as the purchase and sale of electrical energy between the various electric and atomic national, provincial and bi-national utilities.

On December 28, 1977, AyEE was transformed into a decentralized Government Corporation (Sociedad de l' Estado) with the Argentine Republic as the sole shareholder. Its new status will provide the legal foundation for eventual operative and financial independence from central government policy, as well as permitting an improvement in its overall performance. As was true in its role as a Government Agency, AyEE will not be allowed to go bankrupt and its final liquidation as a Company can only be proposed and implemented by the Argentine Government. During the period 1966-1977, AyEE's total installed capacity and energy generation grew at average annual rates of 6.8% and 9.7% respectively. The average annual growth rate of AyEE's thermal generating facilities during this period was 7.2% while the comparable rate for hydro-electric generating facilities was only 5.8%. Studies and projects under way at present tend to maximize the development of the hydro-electric resources as a trend towards change in the output pattern and with a view to minimising any possible dependence on the utilization of oil.

The Company has the responsibility for operating and managing the National Electric Grid which includes the purchase and sale of electricity to and from the various Utility companies which are members of the Grid, as well as the management and consolidation of the National Centralized Load Dispatching System's (NCLDS) operational policy, in accordance with guidelines to be established by the Energy Secretariat, which has stipulated that: the operation of all Electrical Utilities involved in the inter-connected Grid would be regulated by a Centralized Load Dispatching System (NCLDS) and co-ordinated through AyEE. In addition to its activities in the field of Electrical Energy, AyE is responsible for the Irrigation of nearly 741,300 acres located in the provinces of Jujuy, Catamarca, La Rioja, Santiago del Estero, Rio Negro, Neuquén and Chubut. The Company also operates 143 miles of drainage canals in the provinces of Córdoba and Santa Fe which have been dug in order to protect 1,729,700 acres from flooding and which benefit over 500,000 people in these districts.

AyE's Irrigation system which represents 20% of the total irrigated areas of land in the country, includes the operation and maintenance of 2,485.5 miles of irrigation, drainage, and subsidiary canals.

Although AyE's Irrigation network covers

only 4% of the country's farmland, these areas alone account for 30% of Argentina's agricultural output. Similarly, the population density in the irrigated areas is of 78 inhabitants /per square mile—as compared with—eight inhabitants/ per square mile—in the non-irrigated areas.

#### INVESTMENT PROGRAMME

Programmes are currently under way which envisage the completion of Electric generation and transmission work, in accordance with the provisions of the National Investment Plan for 1977-85 as also with the plans for the development of the National Grid. Furthermore, the above also includes plans referring to regional Electric and Irrigation systems under the control of AyE. To illustrate the point, it should be noted that the National Investment Programme for 1978-85 totals 4.5 billion dollars.

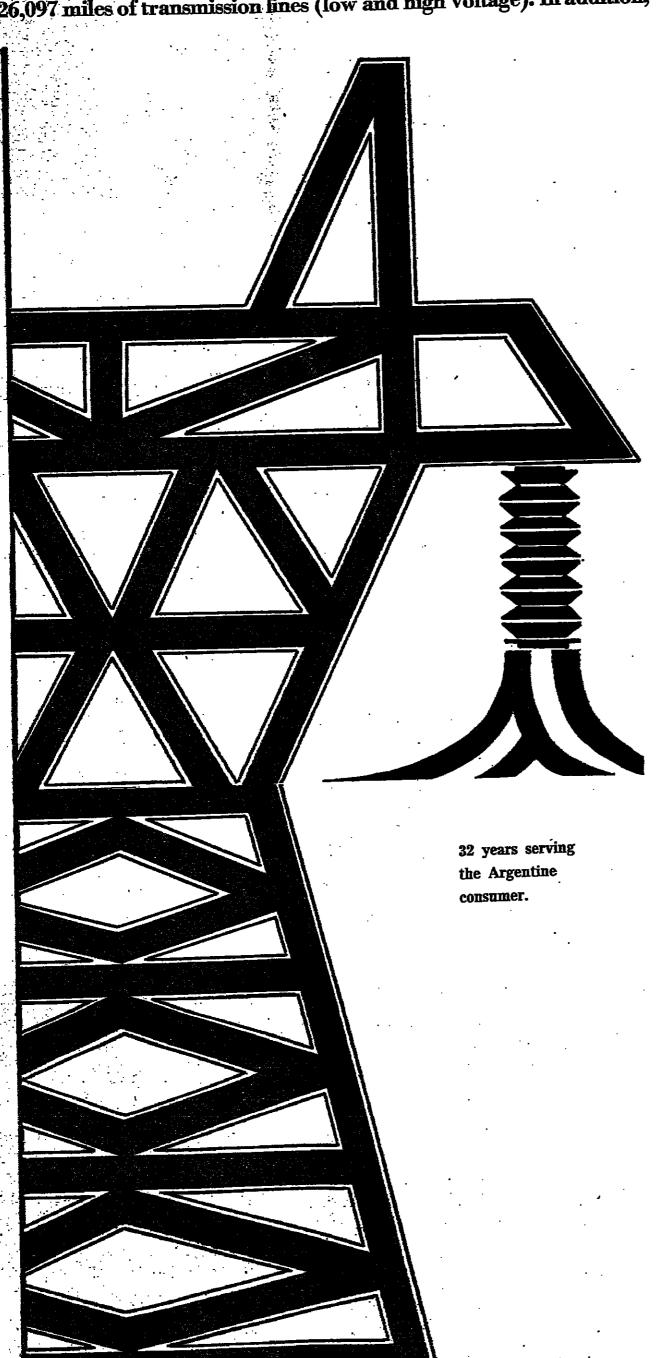
A revised Power Expansion Plan, based on a low-cost programme for expanding generating and transmission facilities, is being prepared by the Government. The Government intends to reorganize the Energy sector to achieve a more integrated long-range-planning and which will encourage the execution of those projects that represent the lowest-cost alternatives with which to meet Argentina's projected power needs. Attempts are being made to improve the financial health of the government Utility Companies through optimization of the quality of the projects which will be undertaken, and through the restructure of the present Tariff System.

Outstanding amongst the important projects currently under way, is the Parana Medio (Middle Parana) Hydroelectric Project, which is sited across the river Paraná and which will stretch for a total length of 372 miles all within Argentine Territory. The feasibility study for the project anticipates a yearly (mean) electric power output of 34,500 GWh from both low-head dams. It also includes a 21-foot depth navigation canal which is planned to be extended upstream (northwards) for 350 miles; levees for flood-control along the lowest banks for 145 miles; the reclaiming of 1,235,000 acres of currently floodable lands; the inter-communication by road across the dams; and the creation of a highly attractive centre for tourism and sporting amenities around the two great reservoirs which are to be formed as part of the construction of the project.

Other constructions already being undertaken are: the Agua del Toro, and Los Reyunos hydro-electric plants in Mendoza; the Río Grande hydro-electric plant in Córdoba; as also the San Nicolás, Sorrento B., Guemes, and Luján de Cuyo thermal plants.

To implement the above as well as other lesser projects, it will be necessary to count on the financial support which it is hoped will be extended by the major International Credit Banks.

AGUA Y ENERGA ELECTRICA LAVALLE 1554 BUENOS AIRES 1325 ARGENTINA TEL. NO.: 46-4530



### Record grain harvests

default in its foreign debt pay- agricultural year were 33 per ments when the military took cent up on the previous harvest over the Government on March and 58 per cent more than the 24. 1976, now has reserves of annual average during the 1971-\$6bn thanks in great part to its 1975 period. It was that 1976-77 agriculture and livestock sec-wheat crop that started Argen-tors. Cereal grains, especially tina's economic comeback. The wheat and corn, have been the exportable surplus of 6m tons largest hard currency earner. was worth about \$900m.

Dr. Jose Alfredo Martinz-de Hoz, well aware of the urgency of the situation when to, took over as Economy Minister more than three years ago, saw cereals as the imme-diate saviour of the economy and was quick to give the pro-ducers a series of incentives to increase the area seeded. The most important of these incentives was the lifting of export taxes from all agriculture and livestock products, which meant that the producer received a full 80 per cent of the world market price for his

The response was spectacular. The area seeded to wheat jumped from 5.8m hectares for the 1975-76 harvest to 7.2m hectares for the 1976-77 harvest, an increase of more than 23 per cent. There began a series of record grain harvests which averaged more than 30m tons annually. This has been the reality, even though the increased areas seeded to wheat has meant that smaller areas were seeded to other crops,

years by climate and techaddition to the Government's incentives, have made possible, in 1976-77, the country's biggest wheat harvest in its history, with the exception of that of 1964-65. The 10.5m tons of

to wheat harvested in the 1976-77

even though the areas seeded to corn and grain sorghum shrank because of the larger area devoted to wheat, these two crops also were record ones—8.3m tons and 6.6m tons, respectively. Jointly this was a 38 per cent increase over the 1975-1976 harvest of these two crops.

In 1977, Argentina began to suffer the effects of the record grain harvest the previous year in other producer countries. The surplus 'production brought down the price of wheat on the world market, with the result that the area seeded to wheat in Argentina for the 1977-78 harvest dropped to 4.6m hectares, well below the area of two years earlier. But the areas seeded to corn, and sorghum increased proportionately, so that the total volume of the 1977-78 harvest reached a very respectable 28.5m tons. It was the second largest grain harvest in the country's history, in spite of droughts alternating with exces-

And, notwithstanding declin-The Argentine farmer has ing world prices, the area seeded been helped out in these three to grains during this agricultural year again will surpass 20m These two elements, in hectares, and production is to the Government's expected to better the record of 1976-77. Apparently the 30m ton annual barrier has been broken for good, the goal now being a 40m ton grain harvest. New

sophisticated farm machinery are bringing such a figure well techniques. Last year, mainland China within the realms of possibility. There were 5.2m tons of

1978-79 agricultural year, a 10.9 per cent increase over the provisos of which is the sale previous year, but bad weather of 3m tons of Argentine grain has reduced the early expectato China by the end of 1981. It tions for the 1979-80 crop from is estimated that China will 8m tons to less than 7m tons. If it is 6.8m tons, as the present calculations suggest, this would leave 2.7m tons for export, all of which have already been sold. Argentinaneeds 3.5m tons of wheat for home consumption annually and another 600,000 tons for seed.

#### Brighter

The outlook for corn, how-ever, is much brighter. About 3.6m hectares were seeded to corn for this year's harvest — compared to 2.7m hectares last year — and fhis area is expected to yield 11m tons, 13.4 per cent more than the 9.7m tons harvest last year. A large area was seeded to corn this year because of the expectation feountries in the northern of an improved world market themisphere. For example, in price for torn, added to the the last week of February, the massive introduction of hybrid top price of wheat in Buenos

long an importer of Argentine grain — signed a trade agreewheat harvested during the ment with Argentins, among the purchase about 890,000 tons of grain from Argentina this year. At the invitation of the National Grain Board, a group of Chinese grain specialists visited Argentina in February and March to talk to the country's heading grain experters, which include Bunge y Born, Cargill and Continental, and to leading Argentine officials, including Economy Minister Martinez de foz, who visited China last year. Among the difficulties Argenthat has in exporting grain is that many of its main customers for the commodity — notably China and the Soviet Union — are so far distant. This is a comparative disadvantage" because the freight costs are so much lower from the United States and other producer Recountries in the northern hemisphere. For example, in

pared to \$143.25 in the Gulf of Mexico. This difference of \$14.50 a ton left exporters with only 89.9 per cent of what exporters in the Gulf of Mexico received

Another problem is that there are insufficient storage facilities for grain in Argentina. But this problem is on the way to being solved, or at least eased. By the end of 1979, there will be another 171,000 tons of storage capacity and by the end of 1980 a further 167,000 tons. The Banco de la Nación is offering a special line of credit for the purchase and construction of grain siles. The loans will finance 70-80 per cent of the investment and he repaid over a period of eight years, with two years of grace. They complement last year's loan of \$105m by the later-American Development Bank for the construction of 24 siles with a capacity of 100,000 tons each. Also scheduled to start this year is the construction of 20 rural grain elevators with a capacity of 100,000 tons each. Investment in this project is about \$300m

Robert Lindley

### Export problems for farm produce

AGRICULTURE, TO a far as many apples to export this greater extent than the manufacturing industry, has been and 1977 were record apple responsible for the sharp rise export years for the country.
in Argentina's foreign earnings Last year, Argentina exported in the last three years—and 15.8m 21 kg boxes of apples to fruit can take considerable 14 countries.

The estimate of the Secre-near Buenos Aires, costs about tariat of Livestock and Agricul- 37, without counting the cost of ture places the harvest at about the fruit which goes into the thre places the harvest at about the fruit which goes into the 800,000 tons, which would be box. The FOB cost in South ten per cent larger than last Africa, Argentina's main world year's apple harvest, or 23 per competitor in exporting apples, cent larger, than the average is \$5.25 FOB a slightly lighter over the last five years and 57 box, but one including the cost per cent, larger than the of fruit. average over the last decade.

This year, the Patagonian province of Rio Negro will produce 70 per cent or more of all the apples picked in the country, apples picked in the country, Another difficulty will be that followed by the Andean provinces of Mendoza and Neuquen, with about 15 per and 120 Argentina's apple production is cently, at any rate, there offers the forest contribution of variety which goes to the old tons for the period beginning mendoza Province this year is world from here — from Eurosignificant inasmuch as it will pean importers had not risen be about 70 per cent greater above \$11.75 the box, and the the reversal of the seasons than it was last year.

Argentina will have at least

But once again. Argentina This year's apple harvest, for may have difficulties in distri-example, is now in progress, buting its export surplus of and it is obvious already that it apples. To place a box of apples, will be an all-time record one. FOB, at Ingeniero White, a port

### Difficulty

Argentina. This would not pay the fob costs for fruit including boxes placed in the port of Ingeniero White. Moreover, on March 8 the

EEC asked Argentina to reduce its apple exports for this year to 63,200 tons, which is 15 per cent less than the average of Argentina's annual apple exports to the EEC over the last three years. According to the EEC, this average was 74,360 tons.

This reduction would mean that Argentina would export about 2m fewer bexes of apples to the EEC countries this year than in 1978. Argentina's Ambassador to the EEC has lodged a formal complaint. terming the request "unaccept-able." The Ambassadors of South Africa, Australia, New Zealand and Chile (all countries which also have been asked to

### WE ARE THE BANK IN ARGENTINA

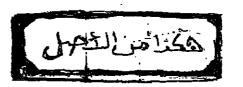
WITH MORE THAN 150 CORRESPONDENTS ABROAD. WE ARE THE ARGENTINE FINANCIAL INSTITUTION BEST QUALIFIED TO PROVIDE INTEGRAL ASSISTANCE TO INDUSTRY AND MINING, BY MEANS OF SHORT, MEDIUM AND LONG TERM LOANS.



### Banco Nacional de Desarre

25 de Mayo 151 - Buenos Aires - Argentina P.O. Box 4096 - Cable Address: BANADE - Phones: 34-8866/34-3001 Telex: 21566 BNDBA - 22441 BNDBA - 17123 BNDBA





### Livestock herds still decreasing

THE ARGENTINE livestock in- it-may be forced to withdraw Moreover, and potentially more livestock industry might not be dustry began a period of decline from the marginal markets— in 1974 which may not have Africa and the Middle East spent itself yet. The most which are purchasers of Argen-promising development for the tine beef. The new government industry locally is the recent in Iran has told Argentina that slight improvement in beef it will keep up its beef imports. prices on the world market, It is in the domestic market after four years of low prices that the outlook for the Argenand oversupply resulting from a tine meat industry continues to cycle in which the main export- have problems. The low prices ing countries were ridding them for the producer which marked the detailer that the detailer that the selves of their stocks on hand, the deterioration of For example, in the United

and this automatically boosted ones, are that the cattle herds Australian exports. Australia throughout the country have is the principal foreign supplier of unprocessed beef to the U.S. and 5.5m head in the last five Argentina, because of the years. In the province of endemic foot-and-mouth disease among its cattle herds, is ex-cluded from the Incrative U.S. Argentina's total cattle popula-market for all but processed tion, the depletion is said by cluded from the Incrative U.S. market for all but processed

As a consequence of the in- cent. creased demand for imports by the U.S., Australia apparently is now obliged to replenish its depleted herds. And it would seem that New Zealand and Uruguay are doing so also. It is for this reason that Argentina's policy during the more than outlook for its best apparents in three warrs of the Videla outlook for its beef exports in three years of the Videla the middle term is fairly good: regime, a policy—say the what with the reduced competi- Government's critics—of overtion, and better prices, resulting valuing the peso and therefore from the necessity to retrench in these countries, by building exporters by putting a ceiling up their herds again, Argentina on the increase in real prices. seems certain to benefit on the These critics disagree with the world market. U.S. export economic team's contention that prices have increased, and so real wages have been mainhave its import quotas for processed beef and other food pro- improved, since the 1976 coup ducts from Argentina.

has agreed to give preferential sumption of beef and meat in treatment to imports of Argen- general. tine food products worth about \$27m a year. The bilateral to the producer for a steer fell agreement; made at the meeting by 42 per cent between 1973 of GATT (General Agreement and 1973 and for other types on Tariffs and Trade) in of cattle by an average of 45 Geneva, includes tariff and non-per cent. In August, last year, tariff concessions for Argentine exports of canned meat, as well producers started to improve, certain cheeses, leather, articles made of fur, apricot the paste and pulp and various dete manufactured items of animal

يا، يوجي الفرقال ( الراج <u>نوان</u> ( " العَمْلُولُ الْحَالِي اللهِ العَمْلُولُ الْحَالِي

industry have now reached their States—the biggest market for lowest point, in real values, beef in the world—the cattle since 1975. As a result, the population dropped from 132m inclination of the producers is in 1976 to 116m last year.

This process was so abrupt that the U.S. was obliged to allow increased imports of beef, 1977, but estimates, pessimistic years. In the province of Buenos Aires, which normally

some to have been about 8 per

taking away the incentive for tained, indeed probably slightly d'etat. The result of this failure According to the secretariat to maintain the level of real of commerce and international wages, they say, has been a economic negotiations, the U.S. reduction in the domestic con-

Indeed the real price paid the real prices to the cattle which, while it has not ended livestock industry's deterioration, is nevertheless heartening. But it may not have decided the producer to halt replenishes its cattle herds, and which are not fully grown, is only able to sell in markets because his temptation is not because his temptation is not which offer high prices and an to risk a further decline in prices assured import volume—such after he has added a few more as the U.S., Canada and Japan-kilogrammes to his animals.

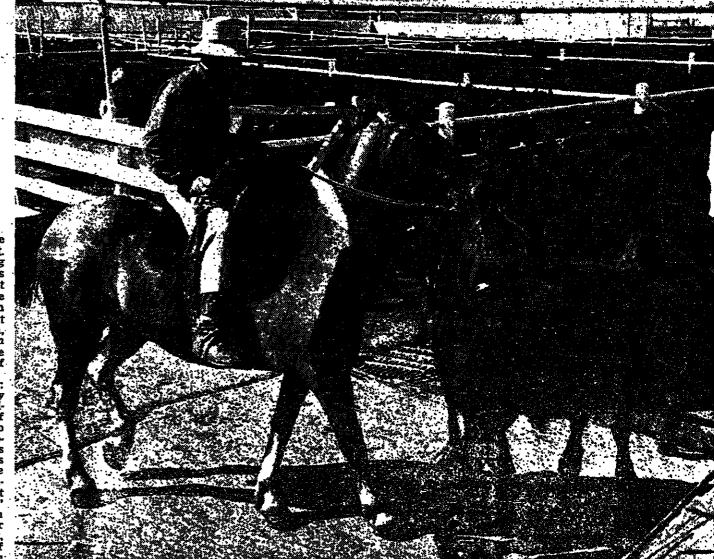
dangerous for the future of the Argentine livestock industry, is to the slaughterhouses, thereby liquidating the capital needed to produce beef. The trend is said to make room for more profitable use of the land than by using it as grazing land for cattle. Worse still for the entire livestock sector is the tendency of cattlemen to lend their money out at high interest rates, something which is proving to be

altogether easier than using it to cultivate the land. The Buenos Aires dally Clarin, a frequent critic of the Government's economic policy, points out that "we can hardly expect significant increases in the real price of beef beyond those produced in recent months." Clarin attributes these slight increases "seasonal factors and the increase in exports during 1978. A reversal of the liquidation cycle would not seem to be in

Nevertheless, there are indications that the future of the

as black as Clarin paints it. Alberto de las Carreras, writing the selling of cows and heifers in the Buenos Aires business weekly Mercado, doubts that the liquidation of the cattle herds has been too great in recent years and thinks that the 61m head of cattle which, according to the last census in 1977, were in Argentina, have not suffered a depletion of more than 2m.

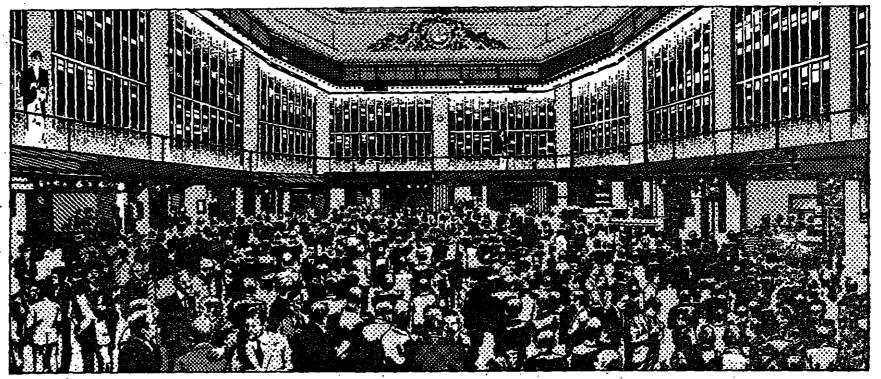
Sr. De la Carreras writes: "Argentina might be the only great producer nation—excluding the EEC as a group of nations—that will be shown to have overcome the world economic crisis of 1974 onwards without the deterioration of its livestock. Because the decline of the country's cattle population by 2m head cannot obliterate the previous growth." Sr. De la Carreras agrees with Mercado's prediction that, for Argentina's livestock industry, 1979 "will see the beginning of consolidation of the productive



Cattle at a meat processing plant in Buenos Aires. The export outlook for meat is healthy

Técnicas Publicitarias S.A.

# Growing up together



### Volume

The Buenos Aires Stock Exchange operatès daily U\$S 13.000.000.worth of public bonds and shares of 350 private companies authorised to quote their values on the market.

### Efficiency

All operations are transacted by computer system and cashed in a record time of 48 hours. This system is rounded up by the Caja de Valores S.A. (Stock Security Deposit) which enables heavy volumes to be transacted by clearing operations. Recently a bank has been formed to further service the market: the Banco de Valores S.A. (Stock Exchange Bank S.A.)

### Responsibility

There are 250 Stock Exchange Brokers legally authorised to operate in the country's capital and they are the only shareholders of the Mercado de Valores de Buenos Aires S.A. Their business activity is ruled by law 17.811 which created the Comisión Nacional de Valores (National Stock Exchange Commission).

### Your investments

The existence of a free money exchange and the reformation of the foreign investment law -undergoing study at present- guarantee a fruitful and growing field of opportunities for your investments.

### A Stock Exchange as old as it's country

The Mercado de Valores de Buenos Aires S.A. has been operating as a corporation for the last 50 years, but it's origins go back through two centuries of uninterrupted activity in the money market, establishing freedom of commerce which helped

to consolidate the Nation's truthfully that our Stock Exchange

independence. It can be said has the same age as our country.

### Mercado de Valores de Buenos Aires S.A.

25 de Mayo 367 Bs. As. Argentina Télex 0117445

### Farm produce

CONTINUED FROM PREVIOUS PAGE

Argentina's apple exports to Europe are made during the

would expose the country to penalties. In 1976, Chile exceeded the EEC's suggested self-limitation on fruit exports. to the EEC countries and was enalised the following year.

Brazil, not the EEC, is the higgest buyer of Argentine fruit, normally followed by Germany, Sweden, Norway and Finland. Apples make up about 70 per cent of these fruit exports, followed by pears, peaches, grapes and citrus fruit, mostly grapefruit and lemons, in that

But this year Brazil reduced its imports of Argentine apples to 600,000 boxes a month for the months February through May. This is about 15 per cent fewer apples than Brazil bought from Argentina last year during those months. There are unconfirmed reports that Brazil may extend this monthly reduction of apple imports from Argentina until the end of the

The soyabean is a relatively recent addition to Argentine agriculture but already has become the country's number one oleaginous product. The reasons for this basically are the same as they are in the other principal soyabeanproducing countries — the United States, Brazil and mainland China, which account for about 90 per cent of the world's production: its high quotation on the world market and the fact that, hectare for hectare, land seeded to soya- From 1970 to 1978, fish and byheans produces more protein than land devoted to livestock.

According to the latest estimates, about 1.3m hectares of land were seeded to soyabeans this year in Argentina, down from the 2.4m hectares in the 1977/78 agricultural year. The IJS. Department of Agriculture estimates that the world production this year will be between 53m and 56m tons, as compared to 50.4m tons in 1977/78, and that world consumption of soyabeans this year will be between 55.2m and 55.5m tons, as compared to

According to the department, million tons. world exports will reach a record of 20.1m tons, although

south of the Equator, all of the exports from the U.S.—70.2 Argentina's apple exports to per cent of the world total in 1978-will be slightly less than

first half of the year.

For Argentina to exceed the EEC's suggested self-limitation would expose the country to year will reach about 2m tons, 1977/78. A recent development in sunflower farming here is the increasing use of hybrid seeds—so much so that next year the sunflower crop may be 50 per cent hybrid. Still, the production of hybrid sunflower seeds in Argentina is not enough to fill the demand.

About 85 per cent of the world production of sunflower is limited to five countries which, in the order of their importance, are the Soviet Union, Argentina, the United States, Romania and Bulgaria. At the beginning of the 1960s in Argentina, sunflower oil was number one among edible oils. Since soyabean oil has been in

Fish production in Argentina in 1978 was up 30 per cent as against 1977, and last year, exports of fish and related products increased by 81.2 per cent. The fish and shell-fish catch in 1978 was 420,000 tons, of which 190,000 tons was exported-39.6 per cent. The principal markets for Argentine fish during 1978 were Spain (26,800 tons valued at \$24m), Japan (26,000 tons, worth \$20m), the United States (15,000 worth \$15m) and Italy (14,300 tons, valued at \$9m). Total global fish exports for the year reached-\$145m.

It is obvious from these figures that Argentina is increasing its emphasis on developing its fishing industry. product production increased 158 per cent. Participation in this sector by foreign com-panies—notably Japan, West Germany and Spain-has increased dramatically since the introduction of the new foreign investment law in 1977.

Between March, 1977, and the end of 1978, foreign investments in fishing and fish production have amounted to more than \$27m. According to the Secre-tariat of Maritime Interests, the country's massive fish resources remain largely untapped, and projections are that the fish catch in 1980 will reach a

Mineral potential

to be tapped

Were laying pipeline in Saudi Arabia and Brazil and constructing highways, bridges and tunnels in Argentina.

We're engineering petrochemical plants in the Soviet Union and designing sewage treatment plants in Mexico.

We're creating iron and steel works in Argentina and Venezuela and building power transmission systems in Uruguay.

We're planning oil and storage facilities in Libya and developing industrial automation systems in Italy.

We're also managing complete industrial complexes, in Argentina, with assets of over 500 million dollars.

Were the "Organización Techint." An Argentine based engineering, construction and industrial group with worldwide capabilities and an annual sales volume of nearly one billion dollars. Over 30,000 planners and managers, engineers and technicians, construction workers and office staff working together to help develop the developing world.

Wherever you live, whatever you do, whether you've heard of us or not...we're helping to change your world.

Principal offices: Buenos Aires, Sao Paulo, Caracas, New York, Milan. Affiliated Argentine Industrial Companies: Dalmine Siderca (seamless pipe), Propulsora Siderúrgica (cold rolled steel sheet), Cometarsa (steel fabricators).

# Bankon Grindays

around the world

With our Head Office in London and over 200 branches and offices in some 35 countries, Grindlays means different things to different people around the World.

We are known for our traditional presence in the Middle East, Africa and the Indian sub-continent; our expanding role in Asia Pacific, Europe and North America; our corporate and merchant banking capability in London and other key centres.

In Latin America we have been managing syndicated loans for over 10 years, with borrowers in twelve countries. In Argentina alone we have managed six loans in the last two years.

Whatever Grindlays means to you, we can provide eurocurrency finance, local currency loans. foreign exchange, export credits and a wide range of other banking services - internationally. That is why we say you can bank on Grindlays around the world.



23 Fenchurch Street, London EC3P 3ED

of payments without heavy in-flows of foreign capital. This has been recognised for a creating the necessary legal framework for attracting foreign funds to the industry.

with a special message.

As far back as 1970 the from foreign groups for copper prospecting rights and in 1972 the Argentine National Develop-ment Bank undertook to provide credits for the promotion of mining and installed mining promotion agencies in the

. The need for more mining enterprise was becoming acute by the middle of the decade when mineral imports were running at \$1.3bn a year and accounting for no less than a third of the import bill. Last vear Dr. Fernando Puca Prota the Mining Secretary, estimated locate and exploit minerals over the following two years.

The country, on the basis of esent geological knowledge, but it was short, he said. of and managerial capacity, owing to the poor state of our mining industry with only small and medium-sized enterprises. The deficiency must be remedied by means of foreign capital contributions and know-how."

The way the Government was approaching the problem became clear in March 1977 when the Foreign Investment Law was passed. This put domestic and foreign enterprises on the same footing and permitted the remittance of profits and capital without any limitations.

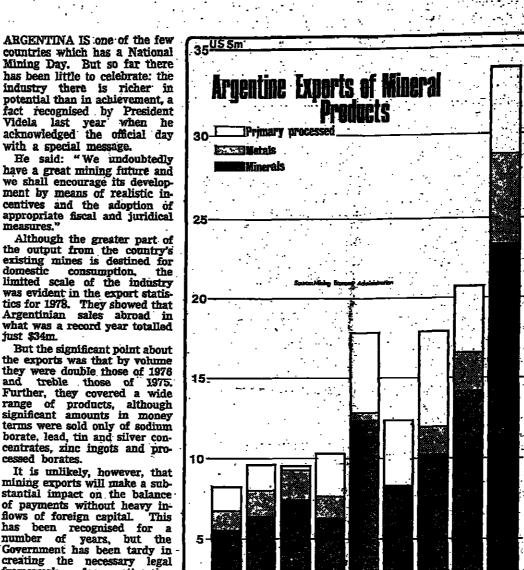
But the law does not cover mining specifically and American mining executives doubt exploration often financed from whether there will be anything more than lukewarm enthusi asm for investment in Argentina until a Mining Promotion Law is passed.

Such a law has been expected for two years and the latest in-dication is that it will come into force sometime this year. In a speech to the Italian Chamber of Commerce in Buenos Aires list year, Dr. Puca Prota noted that part of the framework had heen officially sonctioned and that the remainder was in an advanced state of preparation.

The main reason for the delay seems to have been divisions within the Government about the technical aspects of the law relating to areas of concern to companies, such

#### ARGENTINA'S MINERAL EXPORTS BY COUNTRY 1978

	<b>.</b>
Country	Dollars
Brazil	18,452,320
England	6,467,122
United States	1,717,099
Italy	1,370,597
Paraguay	1,199,990
Uruguay	970,758
Japan	815,662
West Germany	635,929
Chile	534.911
Holland	255,843
Belgium	246,341
Hondura	171,146
France	143.745
Snain .	130.072
@_cece	124.471
ัว พ <b>า</b> ภ	100.362
75:57:50	98.225
I rae!	83,051
Beliyin	54.349
Stritter!	42,738
Nigeria	32.500
Venezuela E-meden	32.234
Ecuador . Canada	25,735
. Canada . Zaire	18,890
Knwait	12,498 4,688
Colombia	4,627
Norway	2,338
Australia	2,000
Austria	1,728
Total	33 749 954



depreciation rates and the writ- operational earnings, the search ing-up of the values of an orebody. It is only when the speci- Only in recent months has the fic conditions for exploration international mining investment and exploitation of minerals are known that mining companies will risk capital.

The lengthy business of axploration, the high costs of development and the knowledge that a major deposit may be mined for a generation or more make the companies demand a carefully-defined framework for their activities.

Lack of a Mining Promotion Law has been one factor behind in Argentina. It is thought that the amount spent there has been about one twentieth that spent in Brazil over recent years and certainly much less than the funds made available in Chile.

### **Escalation**

But it is also true that from 1975 onwards Argentina would in any case have found it difficult to attract foreign capital. The mining industry at that time went into recession as low metal prices across a wide range of products coincided with a sharp escalation of costs. There were cutbacks in investment programmes and, with

for new deposits was reduced. climate begun to change. Argentina was not in any

sense a priority for foreign companies increasingly worried about political turbulence. Indeed, its own internal political, difficulties coupled with a notoriously high rate of inflation acted as a disincentive.

A Mining Promotion Law will not only help to banish this im-pression but could also trigger off a decision to develop what would be one of the biggest copper projects in South America—the El Pachon venture owned by Minera New York-pased Minerals group.

contains ore El Pachon reservés of up to 900m tonnes molybdenum content averaging 0.016 per cent. At a projected output of 100,000 tonnes of copper a year, it could not only meet Argentina's domestic needs but also provide about 50,000 tonnes for export.

But it is a \$1bn project and there has been no haste at St. Joe to make any decision on development until the Mining Promotion law becomes statute

Minera Aguilar is already the largest non-ferrous metal mining concern in Argentina, but the State also plays a significant role in the industry. There is a State mining company, Yacimientos Mineros de Agua de Dionisio (YMAD), while the military is strongly entrenched through Fabricaciones Militares (FM).

FM is investigating porphyry copper reserves at El Merce-dario, not far from El Pachon, high in the Andes, and is engaged in a joint venture with YMAD at the Bajo de la Alumbrera deposit in Catar-marca province. This deposit has ore reserves of about 300m tonnes, grading 0.5 per cent copper, with quantities of gold

Catarmarca province is clearly an area of great future mining an area of great interesting significance for Argentina.
Kaiser Engineers Latinconsult last year confirmed the existence of enough copper, gold and estic market for 25 years.

Argentina also has proven eserves of uranium. At 24,000 tonnes they are sufficient to provide fuel for the developing nuclear power programme and Nuclear Mendoza is engaged in a \$25m programme to develop deposit at Sierra Pentada in Mendoza province with an expected output of 600 tonnes a year by 1983.

ingeried in

1.45 C. T. 18

100 mg 10 MIRE ESTA

See House

ಆಟ ಜಾನಿ ಅನಾ

Fried at a

Martine M

e sometia

erei in Arger <u>erg developmed</u>

eint in stag

gian in the en 

Margare ( t

in finte to

72. 70.3. 25%

al simirists

ign figure

With work also going on to develop iron ore resources, build up pliosphate supplies, exploit the beach sands of Palagonia and extract gold and manganese from deposits at Farallon Negro, the base for a vigorous mining industry is being laid.

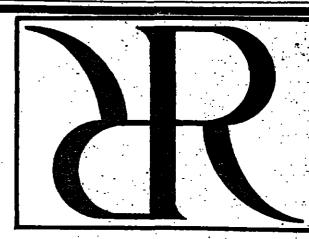
Yet little is really known

about the geology of Argentina. In international terms it has been a neglected mineral province: hence the Governnent's interest in surveys being carried out in Patagonia, La Rioja, San Juan, Misiones and Fosforita: "We can be reason-ably optimistic," said Dr. Puca

But there has been optimism about Argentine mineral potential for years. This decade there has been a more systematic attempt to find out exactly what the country contains. To be sure there was much work to do. In 1971 it was thought that 74 per cent of the Argentine land mass had minerals of some sort, but of that area about 10 per cent had been subject only to prosdevelopment work were taking place in a further 22 per cent of the territory.

Secretariat of Mining establishing targets for geo-logical and mining work. Much of the surveying that has been and has a copper content done since then has been in averaging 0.6 per cent and a the hands of state agencies. For example, FM signed an agree-ment with the province of Mendoza to survey areas of the province in 1976. The UN has also played a role. Behind the activity was the conviction that with only a few exceptions Argentina has all the mineral resources it needs for industrial development.

Paul Cheeseright



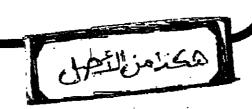
REAFIANZADORA Y REASEGURADORA DE AMERICA S.A.



specialized in bonding

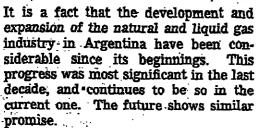
Operative office: PARAGUAY 580 - 6th floor 1057 BUENOS AIRES

Associated Company; ASEGURADORES DE CAUCIONES S. A. COMPANIA DE SEGUROS



# GAS DEL ESTADO

### ARGENTINIAN COMPANY FOR THE SUPPLY OF GASEOUS FUELS



In 1946 this State National Gas Board was set up, for 230,000 consumers. Thirty-three years later the number of consumers was more than three million, and a quarter of all energy consumed in the country was given up to the national market.

In 1970, gas had an 18.2% share in the domestic market. Currently this figure is 25%.

Forecasts for gas consumption and sales, linked with the forecasts for fluid reserves in existing or undeveloped deposits, as well as the development of a suitable substructure, which is necessary to serve this demand, enable us to expect that the growth rate will be 30% in 1985. In 1978 GAS DEL ESTADO sold nearly 8 thousand million cubic metres of gas to more than 2 million consumers, and about 900 million kilograms of liquid gas, in order to satisfy a demand which represented more than a million gas cylinder consumers and fractionators dealing with gas in canisters.

GAS DEL ESTADO now serves 3,235,000 homes. If we add some canister users to these basic consumers, and if we take a typical family of four persons as a standard, we can assert that 87% of the Argentinian population are gas consumers.

Ten sedimentary deposits have been located in Argentina, some of which are being developed and others are in the exploration stages. These enable us to reckon on the existence of 336 thousand million cubic metres of natural gas, with considerable scope for a significantly larger figure.

Making use of this energy will require large plants to be built, and much technological progress to be made. A

machine is also necessary. GAS DEL ESTADO can provide all this. The company's potential can be measured by its 15,300 km of gas pipelines and its 17,500 km domestic distribution network, which reach towards all four corners of the country, plus 23 compressor plants, which add up to a total of 300 thousand horse power and are capable of piping 30 million cubic metres of gas per day.

Of course there are also those who produce, package and store liquid gas, obtaining, fractionating and supplying the 900 million kg per annum. 185 storage plants enable 337 thousand m<sup>3</sup> of liquid gas to be stored under various conditions (pressurised or cooled).

The distribution of liquid gas in cylinders is done from 53 centres. In respect of transporting bulk fluid, it should be pointed out that conventional methods are used.

memous are used.

150 km of propane lines, almost all in the province of Buenos Aires, complete the picture of the company's transportation potential.

The national consumption of natural gas is exclusively served by GAS DEL ESTADO. In terms of liquid gas, it should be stated that whilst this company supplies propane, marketing it in 45 kg cylinders and in bulk on a smaller scale, butane is the province of the private sector, which fractionates it and sells it in the well-known canisters, sold to the trade sector, and also in bulk.

A special propane-air mixture is injected into the gas mains for the city of Mendoza. On the other hand, another five towns which are some distance from the gas lines, have a domestic supply of undiluted propane. It should be mentioned that the annual total figure for propane injected into the mains is 65 million m<sup>3</sup>.

#### SAN SEBASTIAN-EL CONDOR, THE MOST SOUTHERLY GAS LINE IN THE WORLD

The General Don José de San Martín gas line consists of three gas lines in a

line, and is the result of successive extensions of the same line towards the southern parts of the country, in order to make use of gas from the Del Golfo de San Jorge and De Magallanes deposits. Its total length is 2,600 km, and it has seven compressor plants. The sections referred to are: Buenos Aires-Pico Truncado, Pico Truncado-El Cóndor, and El Cóndor-San Sebastián.

#### SAN SEBASTIAN-EL CONDOR

(Work started in December 1978)

This pipeline, which is the result of the most sophisticated technology, collects gas from the Isla Grande deposits in the Tierra del Fuego. In the Argentinian section (part of the Isla Grande belongs to Chile) this island is capable of yielding 52 thousand million cubic metres of natural gas.

The construction is in three parts. The first section takes gas from the production area to the extreme north of the Argentinian part of the island, the Cabo del Espiritu Santo. This consists of 99 km of 30" diameter pipework.

The second section goes under the Mar Argentino sea, towards the east of the Magellan Straits, and traces a 37 km arc from the Cabo del Espíritu Santo coast to the Cabo Vírgenes beach (on the mainland, province of Santa Cruz). The pipeline is 78 metres below water in some parts and has a diameter of 24".

The third section starts from the neighbourhood of Cabo Virgenes and stretches as an on-shore pipeline 39 km long and 30" in diameter, to the El Cóndor compressor plant at the head of the El Cóndor-Pico Truncado gas line.

### 1. ESPIRITU SANTO-VIRGENES OFF-SHORE SECTION

The eastern mouth of the Magelian Straits is one of the most treacherous regions in the world. With the aid of the Argentine Navy Hydrographical Department, a survey was carried out on the environment and geological make-up of the sea bed, a topographic profile of it was obtained, charts were made of the swell and currents in the Magelian Straits, and further knowledge was collected on the weather conditions in the area where the pipework intersection would have to be made.

The above-mentioned surveys enabled a gas line to be designed which is capable of coping with the worst storm which might occur in the region, according to a statistical calculation taking a hundred years into account in this respect.

The engineering studies on the intersection, the selection of the route and the design of the pipes were provided by GAS DEL ESTADO and the consultant company R. J. BROWN & Associates, a Swiss company which was in charge of the invitation to tender and supervision of the works. The project was assigned to the French company ETMP (ENTREPOSE GTM POUR LES TRAVAUX PETROLIERS MARITIMES) and the Argentine company ECOFISA.

### 2. THE SIZE OF THE PROJECT

The volume of gas delivered daily to Argentinian consumers from the Tierra del Fuego will be three and six million cubic metres successively. The first of these figures will expand the daily volume of gas piped by the gas lines by almost 20%. This increase is equivalent to 1.8 million cubic metres of petroleum, a volume which can be deducted from imports and will means a saving of more than 80 dollars per cubic metre (140 million dollars per annum). It should be pointed out that by means of the offshore pipeline the delivery of energy from the Isla Grande can go to' the extractor plant for ethane, propane, butane and higher hydrocarbons, which is being constructed in the Buenos Aires region at General Cerri.

### 3. PROJECT FINANCE

The total estimate for the SAN SEBASTIAN-EL CONDOR construction and some of the facilities necessary for improving the southern gas line system, is 191,800,000 dollars.

The construction was possible thanks to an Inter-American Development Bank Ioan of 87 million dollars, which sum was apportioned to the off-shore intersection. The on-shore sections were sponsored by GAS DEL ESTADO's own funds.

The total financial backing cost the country an investment of foreign currency which amounted to less than the sum required for importing petroeum, which is being repaced by gas from the Tierra del Fuego.

#### 4. EXTENSION OF THE SOUTHERN GAS LINE (GENERAL D. JOSE DE SAN MARTIN)

For the purpose of obtaining an increased transporting capacity capable of taking Tierra del Fuego gas, the SAN JULIAN compressor plant was installed in 1977, near the Santa Cruz area of the same name. This plant meant a 2.3 million m3/day increase in the volume of gas piped, up to 9.3 million m<sup>3</sup>/day. In 1978 11.3 million m<sup>3</sup>/day were piped owing to the installation of · 320 kilometres of pipework parallel to the gas line. This concerns two loops with diameters of 762 and 609.4 mm respectively. However, taking into account the constantly increasing demand, another extension is in the planning stages, with a target of 13.5 million m3/day. This will consist of building four compressor plants, which must be operating by 1980. Furthermore it should be recorded that amongst the constructions envisaged is an expansion of the Pico Truncado and General Cerri plant capacities.

#### 5. EXPANSION OF GAS PIPING CAPACITY IN SAN SEBASTIAN-EL CONDOR

Plans are being made for the installation in Tierra del Fuego of the facilities necessary for delivery to the gas line of gas from the CANADON ALFA and CANADON PIEDRAS deposits. The production schedule for these deposits allows for a daily production of 1.5 million cubic metres.

### EXPANSION OF GAS PIPING CAPACITY IN THE CAMPO DURANBUENOS AIRES GAS LINE .

Since 1960 the reserves from the CAMPO DURAN, MADREJONES, and. since 1970, CAIMANCITO, deposits, have been used. These all relate to the northern basin, and are served by a gas line 1744 kilometres long and 610 mm in diameter.

The CAMPO DURAN-BUENOS AIRES pipeline has a capacity of 7.3 million cubic metres of natural gas. This figure consists of the basin's own resources plus the gas which the Republic of Bolivia has been selling to Argentina since 1972, which arrives via the SANTA CRUZ DE LA SIERRA-YACUIBA pipeline near the border. Its first section is reinforced by

The system operates at working pressures which fluctuate between 75.5 and 60.7 kg/cm<sup>2</sup>, and has four motorised compressor plants (46,800 h.p.).

a parallel pipeline 75 km long.

The start-up of the CAMPO DURAN-BUENOS AIRES pipeline meant that gas began to be used in the industrial sector in Argentina, and at the same time marked the end of the service being a major city privilege.

As of this year, the purchase volume of Bolivian gas will increase by two million cubic metres per day, therefore a piping capacity which the gas line currently does not have, will be required.

The recent discovery of large gas reserves in the RAMOS deposit, in the region of Salta, means that even more fuel will be produced. This is programmed for a daily delivery of up to 1.5 million m<sup>3</sup>/day.

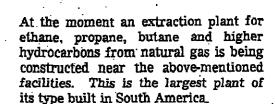
The RAMOS gas will enter the CAMPO DURAN-BUENOS AIRES line through a pipeline 47 km long and 305 mm in diameter, in the neighbourhood of CORNEJO (Salta region).

The production may amount to 12.5 million m<sup>3</sup>/day, depending on the figures which the Y.P.F. can foresee for the deposit once the surveys are completed and the reserves reliably estimated.

It is planned to improve the pipeline by extending the already existing loop from Coronel CORNEJO to CAIMAN-CITO and installing 138 km of pipework with a diameter of 610 mm. In order to reinforce the section between CAIMANCITO and TUCUMAN, a YPF polyduct will be hired by GAS DEL ESTADO. The expansion will be completed by a 40 km, Ø 610 mm pipeline and the installation of a compressor plant at EL RECREO (Catamarca region). The construction work on the pipeline will be completed in 1979 whilst the EL RECREO plant will be ready in 1980.

### GENERAL CERRI COMPLEX

This is situated to the south of the province of Buenos Aires. Currently two cooled absorption plants, one gas compressor plant, plant maintenance shops and one of the largest operational and maintenance bases in the main Argentinian gas line system are in operation there



The plant is to cover an area of 40,000 m². It has been designed to optimise the extraction of natural gas hydrocarbons, using current methods, and aiming for 76% ethane recovery. The selection of the process was made on the basis of a study comparing the system with the Cascade Cooling and Cooled Oil Absorption processes. The cryogenic turbo-expansion will bring a saving of about 164,000 m³/day and 199,000 m³/day of combustible gas compared with the above-mentioned processes.

The GENERAL CERRI complex will start production in the first half of 1980. and at its highest performance stage will process a maximum volume of 18 million m<sup>3</sup>/day. This performance rate will mean the production of 300,000 tonnes per year of petrochemical grade ethane, and about 350,000 tonnes per year of commercial propane and butane. In order to supply the fuel required by the process, the input gas line piping structure will be designed to make use of the new gas reserves found in the Cuenca Neuquina and the production from the El Cóndor (Santa Cruz region) and Tierra del Fuego (Cuenca Austral region) deposits.

It should be stressed that the General Cerri complex will be the nucleus of the Bahia Blanca Petrochemicals Centre currently being constructed. Petrochemical ethane will be the main product of this development centre, which will shortly become the axis of Bahia Blanca industry and the take-off point of Argentinian industrial potential.

#### CENTRAL-WESTERN GAS LINE

The natural gas reserves found in the Cuenca Neuquina have been estimated at more than 200 thousand million cubic metres. This volume will enable a pipeline to be constructed which is intended to satisfy the demand for natural gas in the Cuya region, which lacks gas resources.

This region does not so far have liquid fuel in sufficient quantities to supply its current needs or cope with its future industrial development. In the cities of Mendoza, and San Juan alone about 25 thousand tonnes of liquid gas per annum are to be replaced, the import value of which is in excess of three million dollars.

In the first three years of operation, the Central-West gas line will replace a total of six million cubic metres of petroleum, thus avoiding a foreign currency outlay in the order of 500 million dollars.

The construction will make a supply of natural gas possible to the south of La Mesopotamia (Entre Rios province) with scope for later extension to the rest of this region.

The main gas line to be constructed will have a length of 1,100 km, and a diameter of 762 mm, with 600 km of smaller diameter branches. It will be provided with the compressor plants necessary to pipe ten million cubic metres per day.

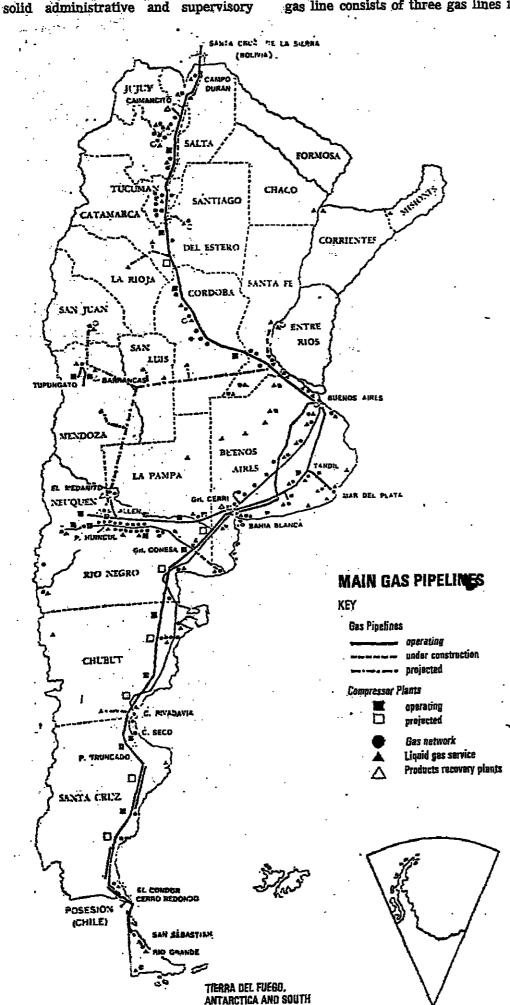
The quantities programmed for transport are: 5,000,000 m³/day initially; 7,000,0000 m³/day after one year, and 10,000,000 m³/day after two years.

GAS DEL ESTADO will implement this project by means of an international invitation to tender for a contract of work and services necessary for piping natural gas from the Neuquina deposit to the delivery centres at MENDOZA, SAN JUAN, SAN LUIS etc.

This invitation to tender was issued in November 1978. The date set for opening tenders is June 22nd 1979.

As a form of payment to the company which is awarded the contract, the invitation to tender provides for a type of "toll" based on the rate of gas piped through the gas line system and auxiliary facilities. The Contractor will be entitled to receive this for a period of fifteen years, up to the termination of the contract.

GAS DEL ESTADO, ALSINA 1169, BUENOS AIRES, ARGENTINA. Tel: 37-2091 38-9061



ATLANTIC ISLANDS

### DON'T WASTE YOURTIME IN SOUTH AMERICA.

It's a reasonable assumption that any businessman planning a trip to South America would rather spend his time doing business than sitting about in airports.

But if your itinerary involves travel to a few major South American cities that is exactly what you could end up doing.

Fly Aerolineas Argentinas, after all we know the interior of South America better than anyone else.

We fly 747's and 707's direct to Rio and Buenos Aires with connecting flights to 46 other South American cities.

We have up-to-the-minute information on flights, times and connections. And you can book everything here

in England.

So, next time you'reflying to South

America fly Aerolineas AEROLINEAS Argentinas. ARGENTINAS



SERVICIOS ELECTRICOS DEL GRAN BUENOS AIRES S.A.

US\$ 75.000.000 **MEDIUM TERM LOAN** 

THE REPUBLIC OF ARGENTINA

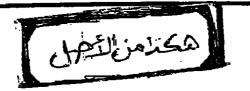
**Grindlay Brandts Limited** BankAmerica International Group Banco de la Nación Argentina

Co-managed by

Banco do Brasil S.A. The Bank of Nova Scotia Group The Industrial Bank of Japan, Limited The Long-Term Credit Bank of Japan, Limited The Saitama Bank, Ltd.

--- Banco do Brasil S.A. -- London Branch Banco de Sao Paulo S.A. – London Branch Banco de la Nación Argentina Bank of America NT & SA Bank of Montreal International Limited The Bank of Nova Scotia International Limited The Bank of Yokohama Limited The Daiwa Bank Limited Grindlays Bank Limited
The Industrial Bank of Japan, Limited
The Long-Term Credit Bank of Japan, Limited The Mitsubishi Trust and Banking Corporation The Mitsui Bank Limited, Los Angeles Agency The Mitsui Trust and Banking Company, Limited The Saitama Bank, Ltd. The Sumitomo Trust and Banking Co., Ltd. The Yasuda Trust and Banking Company Limited

Grindlay Brandts Limited



### Industrial policy put into action

THE MANUFACTURING industry is the sector which has which are fixed independently and for heavy trucks, from 65 suffered most from the impact of the law, are — for parts not per cent this year to 45 per cent of the new economic policy. In made locally — 45 per cent in 1982.

1978, Argentina's manufactur maximum and 10 per cent miniThe importance for this reing industry underwent a 6.8 mum. per cent drop in production.

This decrease was seen throughout the industry with the exception of the paper will remain unchanged. sector and the non-metallic minerals industry. The lowest point was reached during the first quarter of last year, when factories decreased production because of falling demand and the increase in interest rates, which left the factories with little incentive for keeping size-

In the second quarter of the year, many plants were working only to produce ordered goods, with the result that many workers were idle. The situation improved moderately during the third quarter of 1978, when

sales increased slightly.
In a year-end report on the economy, the Buenos Aires business weekly, Mercado, puts much of the blame for the troubles of the manufacturing industry on the Government's failure to evolve a well-defined industrial policy.
But this year, the Government

has at last taken major steps aimed at righting the situation. In February, for example, a new "reconversion" law for the automobile industry—designed to reduce the cost of manufac-

turing cars—came into effect.

The law's chief features are
the permission its gives to
manufacturers regarding imports and to form agreements with other countries and overseas firms, for the purpose of exchanging parts in importexport operations.

Previously, car makers were prohibited from importing parts which are standard to the standard which are supplied by local parts' makers. Moreover, they were restricted in the manufacunable to update car models-The car companies are now allowed, over the next four years, to use successively higher

The most hotly discussed part of new reconversion law (the aim of which is to restructure completely the Argentine auto-mobile industry by opening it up to foreign competition and by reducing Government regu-lation) is that which permits completed vehicles to be imported again Local makers are worried about the possibility that the market could be inundated by cheaper Japanese and Brazilian-made cars. A spokesman for Ford's Argentine subsidiary has said: "We are very concerned."

maintains that some outside competition will benefit the in-dustry and help contribute to lower prices. Economy Minister José Alfredo Martinez de Hoz has declared, referring to the dustry in general: "We have locally-manufactured goods by no intention of destroying our allowing in imports will be suclocal industries by the whole sale and immediate lowering." all barriers. The device of lowering tariffs while still allowing a measure of protection, as industry adapts to the new situation, is a delicate and finely tuned operation involving close co-operation between the Government and industry." Unemployment has now dropped to an inconsequential 1.8 per

To prevent the car industry from being swamped by foreign-made vehicles, a minimum CIF turing of these parts and were price has been established. For cars, this price is \$3.50 per cylinder cubic centimetre, plus percentages of imported parts the minimum CIF price is \$6 most purchasing power which, in their cars. This year that per kilogramme, plus the 15-per however, represents a very figure is 4 per cent, next year cent minimum freight charge, reduced sales volume. This 8 per cent, and in 1981 and There also is a surcharge on leads me to think that we will 1982, 10 and 12 per cent imported vehicles, which for see a quantity of imported cars. cars will slide from 95 per cent on Avenida Alvear, in La Lucila

conversion law for the automobile industry is that the By 1984, the maximum tax mobile industry is that the is scheduled to be reduced to industry operates in a growth 30 per cent, while the minimum market. Last year, the Argentical Control of the control market. Last year, the Argentine car industry produced 180,000 vehicles, although it experienced a recession in sales. Even so, Argentina has a very high ratio of inhabitants to cars

seven-to-one. But there is doubt-indeed, disbelief—that the permission to import complete cars in Argentina will reduce the price of the locally-made vehicles. By now it seems obvious that the effects of the new reconversion law, in its entirety, will not be seen immediately by the Argen-tine car buyer. According to tine car buyer. According to the Ford subsidiary spokesman: "It will take us a couple of

years to tool up to the law." Car dealers are among the most outspoken critics of the new regulations. One of these, Francisco Villar, writing in the Buenos Aires daily, Clarin, does

not with just cars alone.

"I base this opinion," Sr.

Villar writes, "on my observation of all the imported products which I see being marketed: toilet articles, textiles, electronic apparatus, foodstuffs, and so on. They have not brought down the cost of national production, nor the prices to the consumer. Sr. Villar continues: "The costs structure in our country is influenced by its overall in-efficiency. The State, as a supplier of services and raw materials, contributes to this

inefficiency. It is a structure

which will not allow itself to be

changed by imports. "Imported articles absorb that layer of the market which a minimum freight charge of is the tip of the pyramid of the 15 per cent. For heavy trucks, population: the level with the

Buenos Aires), in the commercial centre of our capital - but I don't think we will see many imported cars in our villages. on our ranches or in use by medium-sized businesses

The Government (that is, the three-year old Videla regime)
has, however, taken important
measures to reduce its own inefficiency as a supplier of services and raw materials to manufacturing industry. In March, 1976, 15 companies were being subsidised by the State; today, only two—the Argentine State Railways and the postal services — receive funds from the treasury.

Yacimientos Fiscales, the State oilfields comfrom 50,000 to 40,000 — and was able to boost annual pro-duction of crude by 20 per cent in 1977. In the first 11 months of 1978 the combine produced record 24m cubic metres of petroleum as against 22.8m cubic metres during the whole

In the past three years, the 15 major publicly owned service companies have reduced the numbers of their employees by 12 per cent but have increased production by 13 per cent which represents a 36 per cent im-provement in productivity for each employee.

Another step taken to stimu late manufacturing and industrial development is a law which allows temporary importation (free of duties), of materials, components, process: aids or goods to improve cost efficiency productivity and quality of domestically-produced items. Thus, value is added to the imported material without in curring duties, as long as the final assembled product is exported eventually.

Industrial production and activity actually began to recover during the last half of 1978. In January, this year. usage of electricity by industrial concerns increased 18.3 per centover the same menth last year and is now 14.2 per cent above-

Cenaden ಈ

P.=un l

### Banks' fortunes soar

FOR THE international banking community, Argentina has proved to be one of the textbook financial transformations the country's central bank has of post-war economic history.

While countries like Zaire over who can borrow, not only finance, are:

and Turkey struggle with their as regards large Eurocurrency Electric transmission \$234m; Aqueducts \$35m; seemingly insoluble problems, loans but also smaller, trans

Telecommunications \$221m; Grain storage \$31m a state of near bankruptcy in 1976 is frequently instanced by bankers as what can be achieved in a relatively rapid timescale when determined economic and fiscal policies are pursued.

In March, 1976, Argentina was torn by guerrilla warfare, Government economic ministers changed in rapid succession, corruption was reportedly widespread, hyper-inflation rampant, and foreign exchange reserves had dwindled to under a token

The seizure of power by the military regime of General Jorge Videla ushered in a period which in the last three years has seen exchange re-serves soar to a record total of more than \$6bn and a return to a balance of payments surplus— to the tune of \$2.1bn last year.

For the Western banks, the culmination of this recovery was marked by the Government's decision to retire well ahead of time the \$1bn of restructured commercial bank loans contracted after the 1976 coup d'etat. The loans were completely repaid, to a consortium of U.S., Canadian, European and

### **Eager**

In all, some \$1.6bn of international loans, including International Monetary Fund credit facilities, which had been vital in fending off bankruptcy, have been repaid by Argentina. Now, the country enjoys a prestigious rating in the international capital markets, and international banks are eager to lend, particularly for the ambitious long-term hydro-electric and infrastructure pro-

In the Eurocurrency markets, state-guaranteed Argentinian agencies are able to raise 10-12 year loans at a spread of 1 to per cent over interbank rates, among the best terms available to borrowers in Latin America. These rates compare, for in-stance, with the 4 per cent margin, for a four-year maturity, which was imposed on the \$1bn of restructured loans in 1976.

Last year, Argentina raised an estimated \$1.46bn of syndicated Eurocurrency credits company. Eurocurrency credits, compared with \$849m in 1977 and a derisory \$72m in 1975.

Foreign bankers applied the resources, centred on the strict queueing system for target of becoming self-sufficient foreign borrowings. Since 1978, in oil output by 1985.

• Cas pipeline via Sam Mart imposed a very tight control

actions of \$5m or less. This system was also extended to cover private sector entities after the central bank became concerned at the amount of dollars flowing into the country in early 1978.

The first controls imposed lasted until the end of September, 1978. Private sector companies borrowing abroad had to deposit 20 per cent of the amount of the loan at the central bank in peso equivalent. From the beginning of last October, the requirement was reduced to 5 per cent, but the funds were still frozen at the central bank and bore no interest.

Government official Dr. Francisco Soldati, who directly controls Argentina's foreign borrowing efforts, regards the queueing system effective.

In a recent interview, he declared, "In almost every case the central bank has been successful in getting better rates for each loan. The queueing system has meant that we have never had more than one borrower in the market at the same time carrying the Argentine Treasury guarantee."

At the same time, it is clear that Argentina plans to be a regular and extensive borrower on the international capital markets in the future.

Information recently made available within the Argentine Embassy in Washington, based on a rough draft of the country's 1979/81 investment programme, shows that it will be looking for some \$2.586bn in overseas funds in this period.

In support of the programme, Argentina plans to place various orders overseas for plant, equipment, etc. worth \$4bn. Domestic funds totalling the equivalent of some \$10bn will

be invested in the programme. The projects that receive high priority and allocations in terms of foreign borrowings are headed by the Yacyreta Dam, a joint venture between Argentina and Paraguay. Some \$1.1bn

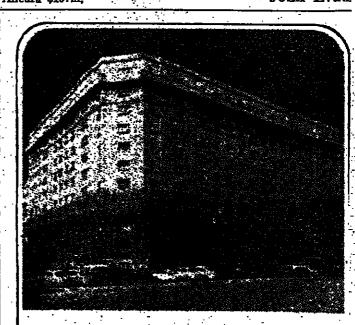
production, with \$320m allocated. This reflects Argentina's drive to exploit its energy

Gas pipeline via Sam Martii

Other sectors, in terms of \$102m; specified amounts of overseas Replacement of

Hydroelectric plant

John Evan



### INSURANCE WITH INTERNATIONAL SOLVENCY

With only one line of conduct: the same that is backed by more than thirty years of uninterrupted labor at the service of insurance in the Argentine Republic.

Thirty years creating plans to give more and better protection to all the levels of Argentine

By merit of this action, the "Caja" can act today with absolute fitness as international reinsurer in all branches,

Without improvisations. With the tranquility which comes from knowing that in Argentine nobody has more experience on insurance



H. Yrigoyen 1750-(1306) BUENOS AIRES-TREX: 22542 chastal

### Trade with the UK

THE WINDOWS along Calle portant contracts recently in the however, put in doubt the future continuance of the present poli-florida, the smartest shopping transport sector is seen as a of some non-traditional lines street in Buenos Aires, are good sign for future business, which had recently been grow-plastered with posters proclaim. In the street of the present poli-tics and as in fields other than trade, the long-term aims of the arrival of some non-traditional lines are not always. This manth are leading British and practice. imported merchandise or other, recently won a £10m order for importer of Argentine wines, for such as Argentines have not biscuit-making equipment, and instance, visited Buenos Aires seen for decades. The newspapers advertise the fact that Citroen Pallas made in France are being unloaded at the dock and are newly available at a cost of \$37,000. Buying a tube further of toothpaste, one is pressed to take a card or two of Korean hairpins. Crowds gather round the shop where they are selling Japanese electric organs and Argentine golfers are celebrating the return of Dunlop golf

The military junta's policies of import liberalisation and the maintenance of a substantially overvalued peso has created a thirst for foreign goods which scores of Argentine businessmen turned import agents are rushing to slake. The result could he a useful boost to British sales to Argentina and a balancing of a trade account which is currently running in Argentina's

Despite a disappointing year in 1978 British exports to Argentina have been healthy enough, going from £67.7m in £53.4m 1975 to £63.3m in 1976, jumping £153m. to £130m in 1977, then falling back to £113m last year.

Last year, however, saw years of negotiation about the sale of a flotilla of destroyers to the Argentine navy aborted by the decision of the junta to purchase an untried West German design from Blohm und Voss. The conworth hundreds of millions of pounds, would have given a fillip to the British trad-

ing position. Though the decision was a blow to the British negotiators, officials emphasise that there are plenty of big new long-term projects in which sellers of high technology can benefit while ex-porters at the consumer end of the market consolidate their place in the retail stores. A recent issue of Trade and Industry, the weekly of the departments of industry, trade prices and consumer protection. listed the big public sector projects ranging from the cation that Argentina will con- last year was the heavy influx Yacyreta hydroelectric scheme

when the Argentina farm sector and announced that the rocketand food processing industry ing price of the wines was mak- twist in the country could once finally decides it is time to ing them totally uncompetitive again establish a close purchas-modernise there should be in the British market and that ing power of the peso and the opportunities British exporters.

The renewed interest of British sellers is reflected in the of being wasted. fact that the trade missions to Buenos Aires are much more numerous than last year, ranging from the Publishers Association and the Federation of Sussex Industries to the Ship and Boat Builders National Federation.

The British share of the Argentine market is still only a fraction of what it was at the beginning of the century, a bare 43 per cent in 1977, compared to the 18.8 per cent of the U.S. and the 10.8 per cent of West Germany.

Argentina's sales to this country have for their part grown more smoothly and consistently than British sales in the other direction. In the four years 1975-78 the figures were £53.4m, £90m, £120m and

### Limited

In every year meat and meat products headed the list. British interest in Argentine beef and veal is still limited by doubts about the health of Argentine stock, by fear of the import of Argentine meat will set off a new wave of foot and mouth disease, such as ravaged British herds a decade ago, and by the operation of the European Community's Common Agricultural

Argentina last year sold tex-tile fibres worth £21.7m and a the good Argentine harvest meant that oil seed and cattle feed sales rose from £207,000 in 1977 to nearly £22m last year.

Despite the Common Agricultural Policy there is every indi-

ing the arrival of some new sector British manufacturers This month one leading British put into practice.

for the work which had been done in the past few years to introduce them was in serious danger Under the present economic policies the parity of the peso is fixed until the end of the year, and there are few indications that the overvaluation will do anything but get worse. The winegrowers may therefore have

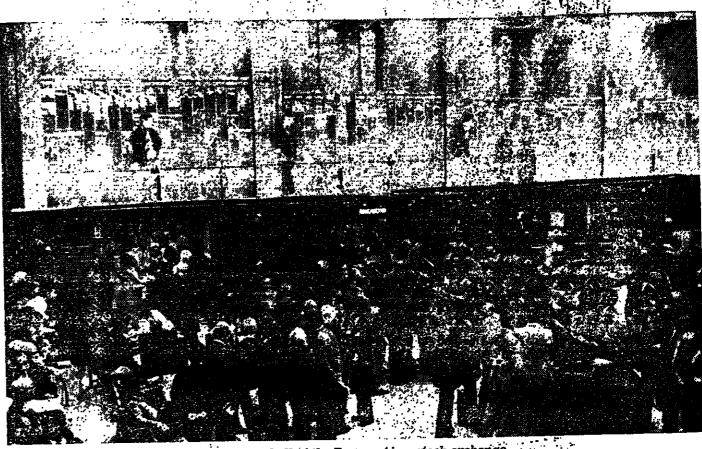
> and they may not be the only sufferers. But, as has been stated elsewhere in this Survey, there is a big question-mark over the

to say goodbye to the British market for some time to come,

Just as it is entirely possible that the freedom to import may be cut back, so a new political value it has across the bank counters. In 1979, as always in the past,

trading with Argentina demands patient application, great flexibility. One has to be able to judge the moment when to jump on the galloping horse and have the same acute sense of timing needed to jump off it safely. During the last century the British were adept at that More recently they seem to have lost some of the knack. There is no obvious reason why they should not regain it.

H.O'S.



The main hall of the Buenos Aires stock exchange

### Better financial control

economic team of Minister José Alfredo Martinéz de Hoz has attempted to liberalise all the components of Argentina's productive apparatus. Perhaps the sector in which the most pro-gress has been made towards liberalisation has been the financial one.

However, the new system was not put into effect until the second half of 1977, and there were difficult moments last year when it seemed doubtful that Policy. Nevertheless, sales of the Central Bank officials Argentine corned beef have could find the measures needed been, growing strongly, from to bring the situation under about 15,000 tons in 1973 to control. In the last four months of 1978, however, the authorities achieved total control of monetary expansion mechanism, for the first time in <u>Indiscriminate</u> 30 years. monetary expansion had been one of the main causes of the

One of the difficult periods tinue to do a steady trade in of foreign money, which was the traditional farm products converted into strong curthe provision of a third aerial with Britain whatever the rencies in pesos on the local for satellite communication. vagaries of climate and cur-market. Both the industrial

increasingly high inflation.

the first six months of last year, pally soyabeans. it is estimated that nearly \$3bn market prices fo entered the financial market. To face up to this alarming situathat private sector companies borrowing from abroad must deposit 20 per cent of the loan at the Central Bank in the peso equivalent. These obligatory deposits, which have since been reduced, produced no interest. The deposit requirement will be reduced further as the cost of funding from abroad and locally becomes more equalised.

that the Central Bank authorities began to get a firm grasp on the growth of the monetary base. And the climate at the beginning of 1979 was one of optimism. There was a \$2,000m balance-of-payment surplus, evi-dence that considerable progress had been made in foreign sector, continuing the trend of 1977 and 1976. Because of the favourable foreign trade, the movement of capital was

IN THE last three years the one moment this rose to 11 sales abroad of corn, sorghum economic team of Minister José points on 30-day loans. During and oleaginous crops, princi-Alfredo Martinéz de Hoz has the first six months of last year, pally soyabeans. The world market prices for these commodities were generally good. Exports of fine grains, especially tion, the Central Bank ruled wheat, were not as high as the that private sector companies year before, simply because were exportable surthere pluses. But as the exportable surplus of Australian beef declined. Argentine beef declined. exports increased by 20 per cent over those of 1977. EEC restrictions on imports were in some measure offset by Argentina's success in finding new markets, especially in the Middle East It was in August last year and Africa. Moreover, Argenconcluded important operations with Greece and

> These and other factors permitted Economy Minister Martinez de Hoz, at the end of 1978, to pre-set—through the Central Bank—the exchange rate for the peso from January this year to August, as a means of reducing inflation. Maximum increases for public utility rates have also been pre-set, and

Brazil. Wool exports also did

well and at good prices.

in Argentina, but industry is time in 30 years," says the . The Central Bank, as it has being asked to keep price London magazine Euromoney, been transformed by its presi increases within these limits.

"the depositor has a chaice." dent, Alberto Diz. under Dr. Says Dr. Martinez de Hoz: "If domestic prices in a sector have risen above the guidelines, capacity still exists in that industry, we have lowered tariff barriers to increase supply. Then demand deter-

mines the price." move to revolutionise the banking system was the Financial Entities Law of February, 1977. This law, designed to channel financial resources away from receive deposits from third parties on their own account. In an attempt to bring "black" money back into the banking system, Dr. Martinez de Hoz eliminated the parallel foreign exchange market.

But most important in his drive to revolutionise the banking system was his freeing of interest rates, which for years. had been fixed by the Central Bank. That system permitted enormous speculative profits to —has become more dynamic as it is a temporary measure be made. Now, with set interest Proof is that real liquidity has designed to control inflation.

Still, Christian Zimmermann,

vice-president of the Argentine Central Bank, says that, "terh-nogolically, I think Argentina is 20 years behind other financial centres of the world. We have to run very fast to recover: the time we lost in the recent Dr. Martinez de Hoz's first past... Our system is ineffi-nove to revolutionise the bank- cient, because some banks do not believe in competition. What I want in Argentina are capable and serious banks." Ricardo Zinn, director of the speculative sources into productive ones, allowed banks to Plata, agrees: "There still needs to be more competition."

There are now 115 commercial banks in Argentina, as well as two development banks, four cent of their deposits. In investment banks, one mortgage implanting the measure, Dr. Diz investment banks, one mortgage bank, one savings bank, about 115 finance houses and about 349 co-operatives. Since Dr. Martinez de Hoz became Economy Minister more than three years ago, the Argentine banking system-notwithstanding its continuing "inefficiency" mínimo declines also, inasmuch—has become more dynamic. as it is a temporary measure

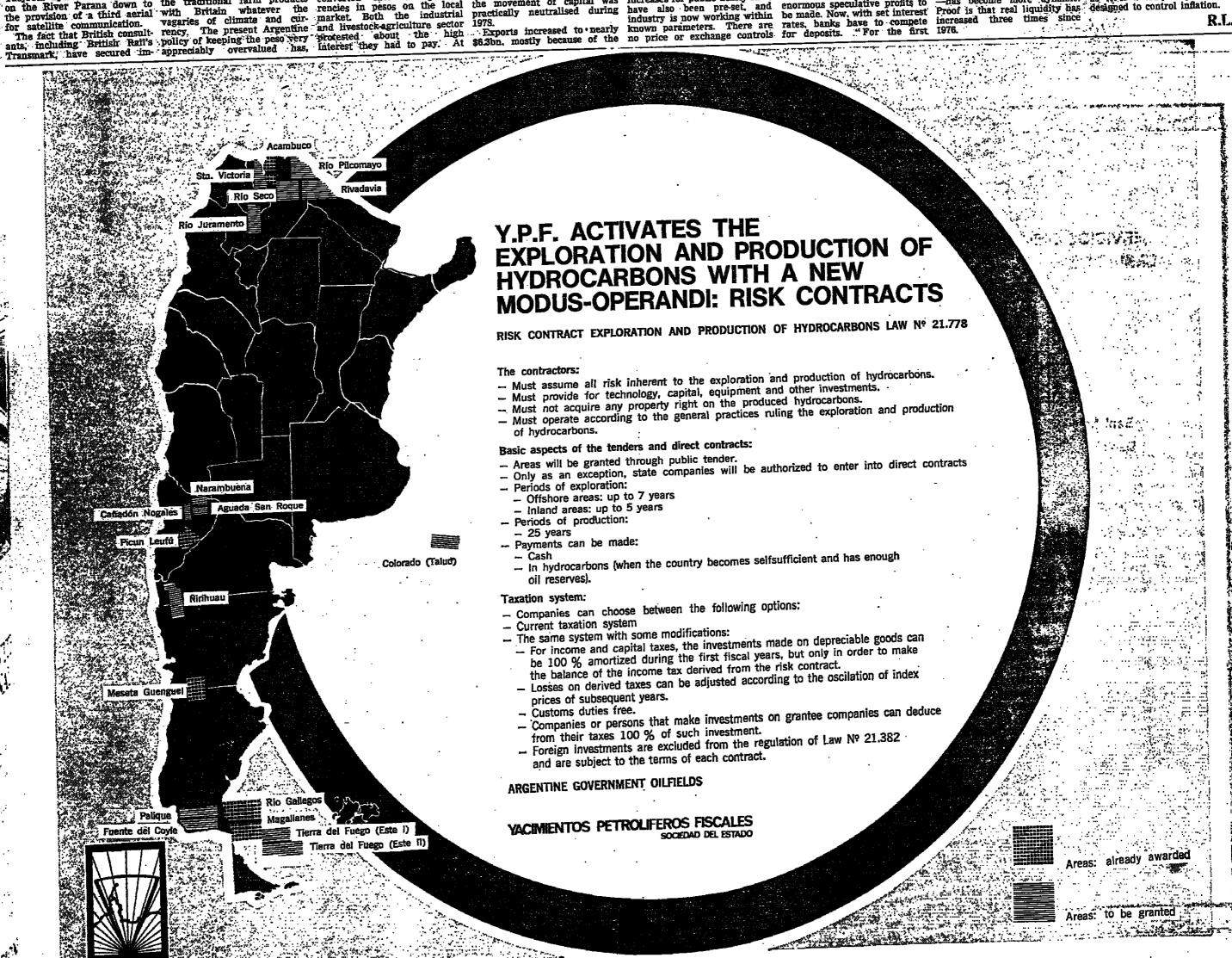
increased three times since

1976.

Marfinez de Hoz, has received high praise from John Lawrence of Lloyds Bank International The Central Bank is very strict and clinical. If you make a mistake, that's too bad. I reflects the professionalism of the authorities."

It was Dr. Diz who introduced what has become the bey to the new Argentine banking system, in June, 1977. It is the cuento de regulación bancaria, which obliged banks to deposit 45 per cent of their deposits in the Central Bank. minimo, made is imposible for banks to lend more than 55 per tried to accomplish two things: To engender more completition -something which Dr. Zimmermpan and Dr. Zinn think is still lacking—and to control the growth of credit. As the inflation , declines,

R.L.



### BUENOS AIRES STOCK EXCHANGE

The Argentine legal regulation on stock exchanges is securities commission's conclusion coincides with very particular.

The offer of securities in Argentina is regulated by Act 178 11 of 1968. This legislation sets forth the operation of three institutions: the National Securities Commission, the stock exchanges authorised to list securities, and the stock markets. The National Securities Commission, an autonomous government agency, supervises the stock exchanges authorised to list securities as well as the stock markets and deals with all matters related to issues traded "over-thecounter." Concerning the latter it establishes the requirements to be fulfilled in order to offer securities to the public, keeps a record of the over-thecounter brokers and supervises their activities.

The stock exchange authorised to list securities are empowered to set forth the requirements that must satisfy those corporations interested in quoting their shares. Furthermore, they supervise them and are responsible for maintaining a record of the proceedings and for their publication.

On the other hand the stock markets take care of the registration and supervision of the stock brokers, keep record of their transactions and guarantee the compliance of their obligations with their clients. So, the National Securities Commission has direct jurisdiction on everything connected with public offering, on stock exchanges and stock markets and only a jurisdiction delegated through the stock markets on all matters concerning listing and operations carried out in the exchange.

markets are independent institutions as regards their legal bodies, capital and management, they are closely connected as regards their operations because, within the Argentine legal system, said operations could not be performed without the participation of both institutions. The Securities Commission created by law, is a body that formally connects both institutions, and with which we will deal with afterwards. The Buenos Aires Stock Exchange, founded in 1854, is a non-profit association. Its governing bodies are: the General Assembly which meets once a year to approve managerial documents and to appoint the

The council, president, and the securities commission, are the bodies empowered to deal with matters concerning the listing of securities.

council of the stock exchange which in turn appoints

the stock exchange's administrative bodies: the

council; the board; the securities commission and the

The Council of the Stock Exchange is a body where the principal sectors of business activity are repre-

When a corporation wants to be listed in the stock exchange, it should fulfil certain requirements which we will deal with afterwards. Once the managers of the stock exchange have analised the listing applica-tion, the securities commission studies it. If the capital issues, etc.

that of the president of the stock exchange, the latter authorises listing. If not, he hands the matter over to the council which issues a definitive ruling.

The Stock Exchange's ruling which deny listing authorisation and those which suspend or cancel a previously granted authorisation (which have a similar procedure) can be judicially appealed. The listing requirements are established in the listing rules and regulations issued by the Buenos Aires Stock Exchange pursuant to powers granted by Act 17.811. It is a very severe and detailed regulation, of which we will mention some points that we consider

Conditions to be fulfilled by corporations applying for listing: these conditions are designed to help the Exchange to evaluate the importance of the corporation. Its corporate object should be such as to qualify for having access to public savings. It must also have an adequate organisation to enable it to have reasonable prospects of success, and it must fulfil the requirements of the listing rules and regulations.

Within this kind of information we may make a change in corporate objects, change of corporate names, capital increase or reductions, merger with other corporations, all of which should have the prior consent of the exchange. All these requirements are meant to keep shareholders well informed and to protect minority shareholders.

The rules and regulations of the Stock Exchange As a matter of fact though, stock exchanges and include disciplinary measures which comprise from a reprimand to the cancellation of listing. These measures could be applied to those corporations which violate the provisions of the listing regulation, or the laws, or to those which operate in a distorted market. As we have said before, listing suspension and cancellation can be judicially appealed.

> To fulfil its register duties, the Exchange is in charge of the entering and registration of quotations at the time operations on the floor are closed.

> Once a transaction is agreed, it is recorded on the blackboards and registered in the Buenos Aires Stock Exchange's records. As regards disclosure, the Stock Exchange publishes a newspaper where transactions are published together with their amount and price in the sequential order in which they were carried out during each session.

> Apart from the publication of quotations, the Stock Exchange makes other disclosures which could be divided in two groups: one, is the fulfilment or nonfulfilment by the corporations of the Exchange's listing rules and regulations. As soon as an especial development takes place in a corporation, the Exchange makes it publicly known on a special blackboard and publishes it in its newspaper. The newspaper also publishes balance sheets and annual reports, calls to meeting of shareholders, dividends,

Profile: Jacobo Silverman

### Victim of the regime

JACOBO TIMERMAN has always had the image of a sharp—not to say rathless—business—model. Many times successive man, and a newspaper governments limited the free publisher of something approaching genius. For the past two decades in particular he was the most visionary figure in the always turbulent and sometimes brilliant world of newspaper and magazine publishing in Argentina. Learning in Buenos Aires, pro
Many times successive model. Many times successive model. Many times successive organisation.

Gravier disappeared after the anti-semitsm of a guerrilla movement disappeared in Argentina, as a guerrilla and it is becoming increasingly organisation.

Gravier disappeared after the anti-semitsm which he was travelling crashed into a mountainside in Mexico three years ago. He situation.

For a year three police have occupied the flat where Timerman is imprisoned, three more have been at the door and a further three have sat in a the morging. Timerman was the trade on the serious even-ing newspaper La Razon he started on a career during which he launched his own pub-lications, most of which distinguished themselves for their punch and popularity. In the early 1960s came Confirmado, a weekly in the style of Time magazine. After bringing it to the top of the never failing talent for pro-market, he disposed of it only ducing the best newspaper that to found a rival, Primera could be produced in the city. Plana, to which he attracted Timerman never had any some of the stars of journalism who had worked with him on Confirmado. Primera Plana also came to the top and was also came to the top and was in its turn disposed of. Then paper in the western provincial came Timerman's most daring city of Mendoza was aborted venture, a daily tabloid shortly after takeoff, and a few modelled very closely on the Paris daily Le Monde. Again the stars of journalism flocked to the editorial offices of La without work in a strange town. Opinion in Calle Reconquista in the old part of Buenos Aires.
"You are trying to bring out
an Argentine version of Le-Monde," one acquaintance remarked to him at the time.
"It's not a version," Timerman riposted. "It's a faithful

It was in appearance a faith-let his publications become ful copy of the French daily. blatant propaganda sheets for It had the same lack of photo-the Zionist, anti-Arab cause. graphs, the occasional graph or diagram, the same tabloid form and the same intellectual style longwindedness of much of the head of La Opinion was even cast in the same Gothic type as Le Monde's in Paris.

During the time Timerman was at the helm La Opinion never wrote—perhaps never

Press in Buenos Aires, pro-vided always that the reader realised that he was not being told the whole truth. Timerman's staff on his successive publications tended to loathe him for his opportunism, detested him for his brazen ruthlessness in business and always admired him for his

qualms about halting ventures and firing staff when it appeared that a publication was going to lose money. One daily news

At no point in his career did Timerman hide his Jewish faith or his support for the cause of Zionism. His Zionism, however, was never so intense as to make him want to quit the intense and glamorous life he led in Buenos Aires and go and live in Israel, and he never

Born near Kiev 57 years ago of parents who emigrated with him to Argentina, he seemed driven of writing, which, however, to make a prominent mark in never sank to the pompous the country of his adoption. the country of his adoption. These were characteristics he Argentine Express. The mast- shared with the controversial banker David Griaver, who was also of Eastern European origin. Gravier and Timerman were associates and Timerman assuredly knew of the relationship that the former forged with the Montonero Movement, the radical group of Peronists who were originally used and whom they acknowledged and later dis- they want. owned by the ageing General

the morning, Timerman was arrested by agents of the mili-tary junta headed by General Videla. For some days the gov-erument denied knowledge of his whereabouts. He surfaced briefly at the central police headquarters in Buenos Aires.

disappeared once again and surfaced a second time at the prison of La Plata, a city an hour's drive from the capital. During this time he was being interrogated extensively, his interrogators making continuous use of electric shock methods.

#### Cleared

Supreme Court ordered his release, seeing that he had been cleared of charges and no new accusations had been made against him.

He has been detained up to the time of writing with no block in the expensive residential area of the Barrio Norte of Buenos Aires. Legal experts say that there is no regulation, even among the battery of regu-lations which allow the junta to do virtually what it pleases in Argentina, which allows his confinement

He is not even formally placed at the disposition of the Government" a procedure which allows the military to detain whom they want for as long as

It is clear that one of Argen-

patrol car at the door. The captive is allowed the occasional visitor and on rare occasions the use of the tele-phone, but he is not allowed to go down to the street. The strain of having three police in the flat occupying many of the rooms and eating from the Timermans' refrigerator has taken its toll of the publisher's wife, Risha, who recently left

for Israel. - President Videla has been deaf to the pleas for Timerman's freedom, which have come from After about six months in right across the international detention he faced a military political spectrum, from some tribunal, which cleared him of of the opponents of the juntacharges of having been involved from the U.S. Ambassador, from right across the international in guerrilla activities or "sub Amnesty International and from version" as the military junta a host of conservatives where the opposition He was could never be accused to hot however, released. fessor Milton Friedman, th economic adviser of the Chilea inta: Aleksander Solzhenitsyi On July 20 last year the and Herr Franz-Josef Straus! the Bavarian political leader.

On April 17 the distinguish et columnist Manfred Schonfeld. writing in the conservative daily La Prensa, pointed uncompromisingly towards anti-Semitism as the principal charge made against him. He reason for Timerman's con-is confined to his flat on the tinued imprisonment. "There 15th floor of a smart apartment are sectors in the country." block in the expensive residen. Schonfeld wrote, "which are tial area of the Barrio Norte of not only racialist but are so in a virulent form and which are also acquiring increasing influence." He went on to point to the links which are often made between Nazi elements and certain military personnel.

Despite informal assurances from General Videla and General Viola, the army commander, that Timerman would be released on the second anniversary of is imprisonment this month, he has been kept inside.

н.

Profile: Ralph Emery

### Oilman, banker and impresario

IT WOULD be a foolbardy businessman who claimed to know more about trade links between Britain and Argentina —indeed between Britain and Latin America as a whole— than Ralph Emery. Having made one career in oil he became a banker, started the London representation of the Banco de la Nacion Argentina in 1973 and, having stepped down from the senior position at the bank in 1978, continues as manager for public relations and outside contracts.

Mr. Emery read French and Spanish at Christ's College, Cambridge, joined Shell and in the 1930s found himself with a cash float of £100 and a few bottles of sample oils to hawk round Shell's agents and cus-tomers in the area of Nueve de tomers in the area of Nueve de Julio, a country town in the province of Buenos Aires. "They were fairly basic products," he recalls, "No one worried too much about viscosity, you just had a row of bottles. Heavy, Medium Heavy, Medium, that sort of thing."

Medium, that sort of thing."

After a few months of covering his beat by train he was allowed a car in which he travelled to the estancias of his travelled to the estancias of his area. The early years in Argentina, which he says enabled him to get his first intimate knowledge of Argentine farming at its roots, were only the preinde to decades of work dealing with Shell's hadwork dealing with Shell's business in the region. After a first ness in the region. After a first spell in Argentina came time in Montevideo, then a refresher course in the U.S. with Shell Oil, where he first saw an integrated operation with production, refining and marketing all being carried out by one company. Back then to Peru and Mexico, where he was responsible for negotiating the responsible for negotiating the final settlement of the dispute over the Mexican nationalisation of Shell's Mexican Eagle assets, which had led for a time

and the death of his second



wife, Evita.—I asked him whether he felt the current musical reflected anything of the spirit of the age in Buenos Aires.

"I don't think it reflects the egoism — no. rather the vindictiveness—of Eva Peron." he says "But then perhaps it wasn't meant to."

By 1953 he was on the move again, this time to Brazil and Rio.—He confesses to some nostalgia for the Brazil of those limes. "I had a flat overlooking Botsfogo Bay and the Sugar Loaf Mountain and every day." I would get up, look out of the window and say to myself, 'It ean't be true. Nowhere in the world can be as beautiful as this.'" At that time, before the fast growth of more recent the stay growth of more recent the fast growth of more recent thought I should try something

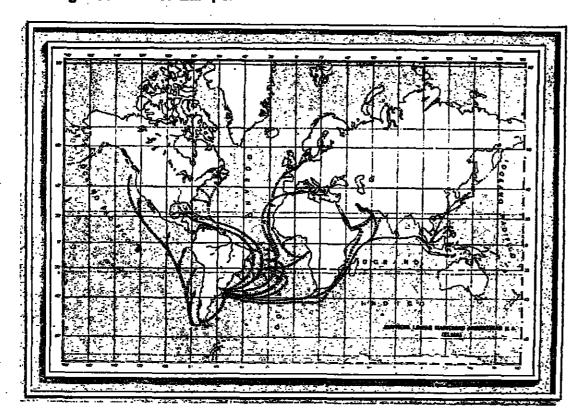
"I qualified for a pension and this. At the tune, before I qualified for a pension and the fast growth of more recent thought I should try something years Rio de Janeiro was still other than oil, he says, as over the Mexican nationalisation of Shell's Mexican Eagle bigger than Sao Paulo and though his new start in banking to the breaking of diplomatic relations between Mexico and Britain.

Back then in 1950 to be President of Shell Argentina The early 1950s saw the beginning and the general hotting up of the Argentina the rivalry between the state operation of the state owned first period of rule in Argentina.

CONTINUED ON NEXT PAGE



Regular liner services for general, liquid, bulk, reefer and container cargo Passenger services to Europe.



to all ports in the world

On all runs requests for cargo for leading ports within the area are accepted, either by direct means or by transshipment.

US. Atlantic coast and Canada line. Caribbean line. Gulf of Mexico line. Brazilian line. Cuban line. Mediterranean line. North of Europe, United Kingdom. Scandinavian and Baltic line. West African line. Pacific line. Japan and Asia lines.



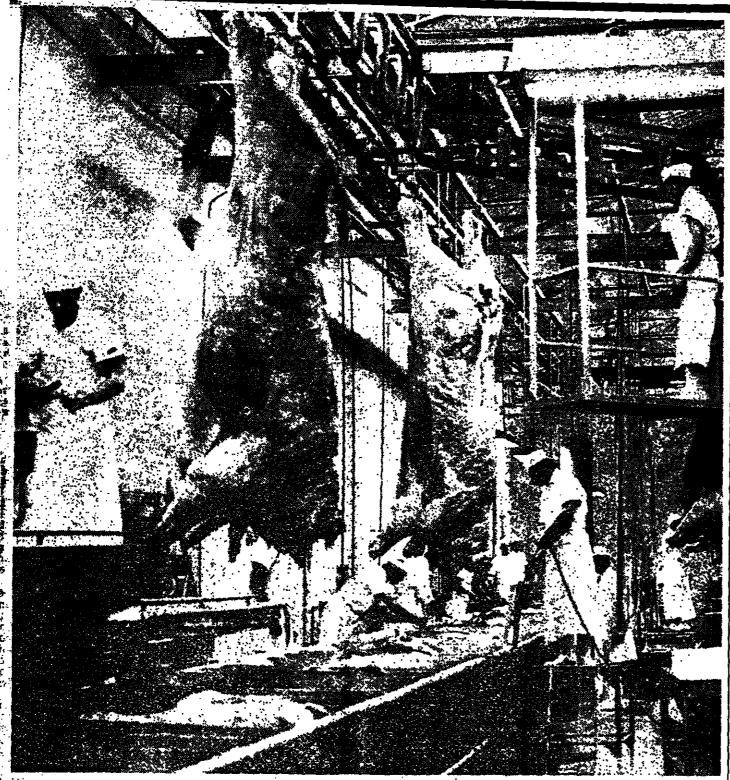
Cargo reservations Reefer Cargo Tel. 31-1396/32-6684 Bulk Cargo Tel. 32-9280/5972 General Cargo Tel. 31-7819

/2365/1353/0270 For Stevedoring Services Tel. 31-8911/8151/8121 EXT76 to 78 Tel. 32-6414 For Passengers: . Tel, 31-3181/32-7809

Information Tel. 32-8111/4861 Corrientes 389 -Buenos Aires - Argentina **ELMA BAIRES** TELEX: 012-2363/012-2317 012-1807/012-2389

We hereby advise Exporters that our enterprise is connected with Colombian flag regulations and thus comes under the Colombian cargo reservation law.

هكنامنالأصل



A meat processing line in a Buenos Aires factory. The Argentinians have overtaken the Uruguoyans as the world's largest consumers of beef

### World record beef eaters

THE ARGENTINES are con-midday meal of pasta-ravioli, Choricos, year, the per capita consumption of beef by the Argentines, by a separate beef dish. notwithstanding rising prices, increased to 82 kg, and apparently surpassed that of their neighbouring Uruguayans, who had long held the record as the world's number one beef gorgers. The smell of Euenos Aires at midday, with a surfeit of asado de tira, vacio and chorizos roasting over wood embers at county-s construc-tion sites, must be disquieting to any devout Hindu or convinced vegetarian.

Aires, but only one is macrobi- worth living." Said of the otic and only one is vegetarien. Argentines' penchant for As though it expected to be devouring bifes at any time of raided by the police at any day or night: "A people which moment, the single vegetarian is so carniverous should know restrurant has hidden itself that they are polluting their away, with its 20 tables around ten inside courtyard in the their livers, their kidneys and Plata, once the Jewish district, their eyesight. Go ahead and eat

The Italian influence in Argentina is strong, not to say drerwhelming. There is more Italian than Spanish blood in of the muna.
Italian descent — viola.
Italian descent Graffigna. A

fats, is widely blamed for the high incidence of blood disorders, gout, liver and kidney diseases, heart attacks, high pressure and cancer among them. In March, Catalonian dietician Ana Maria Lajusticia, as always on a crusade for us to consume more magnesium (according to Sra. Lajusticia, a latterday Cata-lonian proverb is: "Without There are nearly 4,000 magnesium, we are no one, restaurants in greater Buenos Without magnesium life is not magnesium, we are no one. penchant for blood with urea and disturbing their livers, their kidneys and your famous biefe de chorizo.
Yes, by all means. But cut off the fat."

A great doubt as to whether the collective vens of the experts practice what they argentines. All three members preach emerged in Buenos of the military junta are of Aires in October last year when of the military junta are of Aires in October last year when Italian descent — Viola, the 7,000 delegates to the International Cancer Congress were result of this pervading served with — and pretty well Italinanism is that the Sunday consumed at one sitting—20,000

servative in their gastronomy, fettuchini, capelleti or tallerine sausage, 12,000 blood sausages, ticular attention. . . to the point of being unimaginative. And they are getting more so instead of less. Last by estofado, inevitably beef lings, 5 tons of delicacies in the serve and in the error to by estofado, inevitably beef lings, 5 tons of delicacies in the serve and in the error to the lings. and suckling pig. 20 kinds of only constant any more is the cheese, other assorted cold steady increase in prices. By The Argentines' high intake cuts, 1,000 bottles of cham- way of saving on printing costs, of beef and, inevitably, animal pagne, 500 bottles of fine wine, many restaurants list their 600 bottles of whisky, 1,000 prices on the menu in pencil: litres of beer, 2,000 bottles of easily erasible. The general un-

> The efforts of officialdomthis Government and previous ones-to get the Argentines to eat any meat but beef has been an uphill struggle. Last year, the per capita consumption of pork and mutton increased, but only slightly, to nine and five kilogrammes per head, respectively. The same has been the case with fish. which abound in Argentina's magnificent rivers, lakes and territorial waters (200 miles wide and 1,500 miles long in the Atlantic Ocean). The Argentine navy and chastquard diligently police the territorial waters to keep out poachers, especially fishing fleets from Iron Curtain countries. But the Argentines on the average ate only 8 kg of fish each in 1978.

A peculiarity of the gastronomic scene in Buenos Aires now, as before—and a mystery too in view of the constantly rising cost, in real money, of eating out—is the opening new restaurants. Dereck H. N. Foster, the English-language Buenos Aires Herald's caustic food and wine critic, who sometimes seems to be carrying on a one-man campaign to improve Argentine cuisine, wrote recently: "If there is one thing that is never lacking in BA it is novelty. Not that much of this novelty is worth writing about, even in a superficial manner . . . Italian restaurants are a dime a dozen in this city

with which they serve it soft drinks; also 1.500 kg of reliability of Buenos Aires restaurants in matters baving to do with quality is usually caused by the quick turnover of cooks, other staff and even owners-a phenomenon seemingly more pronounced here than in other large cities. There are exceptions, of course, but they are no guarantee of lasting quality. Some Buenos Aires restaurants which have not changed ownership or staff for 30 years maintain undeserved fame with stultifying menus which never

Contributing mightily to the price of a restaurant meal in Argentina is the wine. In fact. Argentina's chance to export this part of its gastronomy—its increasingly excellent wines-is being ruined by rocketing prices. A spokesman for Vinos Argentinos, a company which is better local wines, told me the other day: "We have priced ourselves out of the market."

This seemed to be confirmed on April 17 by David Stevens, of Matthew Clark and Sons, the company which imports Argentine wines into Britain. Mr. Stevens said in Buenos Aires: "Argentine wine is now disproportionately, more expensive than Italian, Spanish, Greek Bulgarian, Romanian and Hungarian wines, and those of the rest of the world, and thus will lose the British market, where we had such a hard time launch-

### **GZERWENY** HIGH QUALITY **ELECTRIC MOTORS**



Manufactured products include:

INDUSTRIAL SINGLE-PHASE MOTORS 0.33 - 3.0 H.P. Totally enclosed and fan-cooled, high torque, flange or footmounted, Standards conform to I.E.C.Pub.72, B.S. 4999 Part 10 and I.P.44.

INDUSTRIAL THREE-PHASE MOTORS 0.33 - 50.0 H.P. Standards conform to I.E.C. Pub.72, B.S. 4999 Part 10 and I.P.44. FRACTIONAL H.P. MOTORS Standards conform to NEMA B.S. 2408 Part 1 and I.P.23.

Frames 42, 48 and 56. CUSTOM-MADE MOTORS Manufactured to customers' specifications for machine tools, industrial ovens, domestic appliances etc.

STATOR AND ROTOR KITS For integral mounting, Iph and 3ph, Supplied with centrifugal switch if required.

STEPPER MOTORS For precision control, computer printers etc. CZERWENY HNOS. S.A.S.I.E. Avenida de Mayo 651-3er Piso. 1084 - Buenos Aires - Argentina

UK Distributor and West European Agent: W. ROBINSON, 3 Redchurch Street, London E2, England Tel: 01-739 6000 Telex 261598 LDNUS G.

CONTINUED FROM PREVIOUS PAGE

in London.

involved in a number of consortium loans, some of which it co-managed, including a \$75m issue for SEGBA, the Buenos Aires power company. The bank was involved in a good deal of business outside Latin America, including issues for Spain and Portugal and Sonatrach in Algeria.

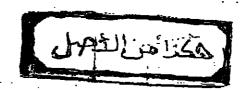
Last year he handed over the running of the Bank to an Argentine colleague, staying on as a "contact man." But as people in the musical world know well there is more to Ralph Emery than oil and bank-ing. Since 1982 he has shared the responsibility of the English Bach Festival with his Greek-born wife, Lina Lalandi. The Emerys have provided a financial cushion for the Festi-

Banco de la Nacion Argentina val since its inception. "We in London. Mr. Emery got the Bank of money, which we sometimes avolved in a number of congot back," he says.

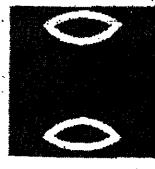
The Festival has grown from an event which originally sought to have Bach's music performed by orchestras produc-ing sounds faithful to those of the period of the composer's era. "The Festival was at the beginning of the whole movement in England of playing music on instruments authentic to their period," he says. This year's productions include an by Rameau, which opera receives its first performance at the Queen Elizabeth Hall on May 1. "It's one of those passionate things," he says in a quiet tone which belies his commitment to and absorbtion

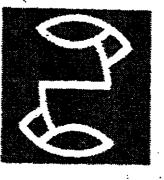
in the Festival.

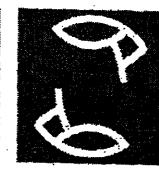
H.O'S.



our hobby is the world.























HEAD OFFICE - Bartolomé Mitre 457-1036 - Buenos Aires - Argentina

Cables: "PROVINBANK" - Telephone 33-0176 - Telex: 1564-1574-1741

LOS ANGELES AGENCY - 707 Wilshire Boulevard 30th Floor - Los Angeles California 90017 - United States of America Telephone: (213) 626.5735/6/7/8 - Telex: 67-4755 PROVINBANK LSA

REPRESENTATIVE OFFICE CARACAS - Venezuela - Edificio Torre Maracaibo Av. Libertador 5º piso - Of. H - La Campiña - Caracas - Venezuela Telephone 72.00.06 and 72.06.49 - Telex: 21962 BAPRO/VE

REPRESENTATIVE OFFICE MIAMI - One Biscoyne Tower - 2 South Biscoyne Boulevard 27th Floor - Miami - Florida 33131 - United States of America Telephone: (305) 358-4898 - Telex: 803153 BAPRO MIA

# Lloyds Bank Group in Latin America.

Through its subsidiaries, the Bank of London & South America and the Bank of London & Montreal, Lloyds Bank International has been established in Latin America for well over 100 years and is the only British bank with a branch network covering virtually the whole of Latin America, with a strong presence in all the important financial centres.

In addition to the traditional range of financial services provided by our branches, our special knowledge of the people, the markets and local conditions, makes us uniquely well-equipped to assist international companies with import and export arrangements, the introduction of capital, access to local finance, joint-ventures and all other aspects of trade with Latin America.

For further information, please contact our Latin America Division in London or any branch of Lloyds Bank Limited.



A member of the Lloyds Bank Group Head Office: 40/66 Queen Victoria Street, London EC4P 4EL. Tel: 01-248 9822.

Lloyds Bank International Limited, the Bank of London & South America and their subsidiaries have offices in: Argentina, America Bahamas, Bahrain, Belgium, Brazil, Canada, Cayman Islands, Chile, Colombia, Costa Rica, Ecuador, Egypt, El Salvador, France, Federal Republic of Germany, Guatemala, Guernsey, Honduras, Hong Kong, Iran, Japan, Jersey, Malaysia, Mexico, Monacis, Netherlands, Nicaragua, Panama, Paraguay, Peru, Philippines, Portugal, Republic of Korea, Singapore, Spain, Switzerland, United Arab Emirates, United Kingdom, U.S.A., U.S.S.R., Uruguay, Venezuela.

A Lab

The second

\_\_\_\_ D -= es ( - Herber 10

Treasur

30 0 0 00 00 0

the colore

Serie Stoci

The days of

the former the

e consident

fer friend

and trust.

X-live

35168G

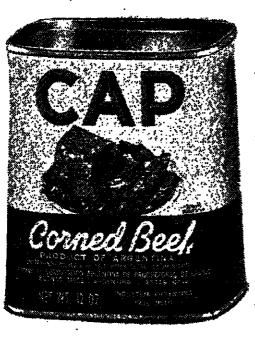
Fe Bezi ca

aeam

### ARGENTINE CORNED BEEF

CAP and SILVER ARROW BRANDS

The pampas of Argentina is rich natural grazing with the perfect conditions for producing some of the world's finest beef.



**Our Corned Beef** comes from the richly fed herds of Argentina. It is produced under stringent supervision to come to your table in perfect condition.

### SANSINENA CO. LTD.

CAP HOUSE, 9-12, LONG LANE, LONDON ECIA

Telex: 883448 Tel: 01-600 0911



"where luxury has no limits and service is second to none"

Maipu 960/62 - Tel. 393-2882 (1006) Buenos Aires Republic of Argentina. Telex: AR 012-17374

Located a few steps away from Florida Street with its exclusive shops and the beautiful Plaza San Martin. 92 exceptionally luxurious rooms and 12 lavish suites, with air-conditioning, TV, radio and bar refrigerators. Outdoor patio with swimming pool. Coffee shop. Tea room. Bars, a night-club and a "five star" restaurant L'Escoffier.

Conference rooms and meeting facilities for small groups up to 50 persons. Micro-cine and simultaneous translation equipment available.

Rated as one of the top five hotels in the world.

### **Latin America** Surveys 1979

The Financial Times is planning to publish a number of Surveys on Latin America. The titles and proposed publication dates of those planned are listed below. Other titles may be added during the course of the year.

May 8 Monterrey Brazilian Banking and July 11 Insurance **Mexican Oil** July 27 **Brazil** October 16 Venezuela October 24

Mexico November 20

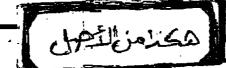
Surveys are a powerful advertising medium offering advertisers the means to reach the Financial Times' influential readership in a relevant context.

For further information about advertising in the above Latin America Surveys please contact

> Anthony Brown, Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY Tel: 01-248 8000 Ext. 447

### FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

The content, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.



### Border rivalries cool down

lifti La<sub>e</sub> Rioja

•Mendoza

sar idan

S. Juan

San Salvador

ede Jujuy

del Estero

THE MAIN preoccupation of Argentina in its global strategy is, inevitably, Brazil. Not only are the two countries South America's giants; they share a

common border. The rivalry between Argentina and Brazil has existed colonial times neither was an independent republic. The friction between them today over the develop-ment of the upper Parana River is a case in point: Brazil objects to the height of the dam which Argentina proposes for its programmed hydro-electric project (jointly with Paraguay), at Corpus on the Parana River, maintaining that a dam of such size would reduce the efficiency of the Itaipu hydro-electric scheme which Brazil is building upriver with Paraguay

Pacific Ocean

"The game of pressures and counter-pressures in the River Plate basin by Brazil, at times in partnership with Paraguay, is part of the geopolitical action which dates back to the Portugese Empire," says Sergio Ceron in the Buenos Aires daily,

La Opinion. Referring to the question of the size of the dam at Corpus, Sr. Ceron concludes: "The wager is much higher. It is levelled at the question of who will dominate the River Plate basin, which is the Ruhr Basin of Latin America. The challenge is geopolitical and, as such,

Now that the conflict between Argentina and Chile over the Beagle Channel has been shelved indefinitely—with the mediation of Pope John Paul II—the River Plate basin once again is the number priority of Argentina in its geopolitical thinking. The geopolitical thinking. The director of Argentina's Institute of Geopolitical Studies, Augusto B. Rattenbach—a retired army colonel—says so with emphasis "The first, indeed red-hot, area is the River Plate basin." Despite Paraguay's policy of,

at times, playing off Argentina and Brazil against one another, Argentina's efforts to maintain optimum relations with the other three River Plate basin countries—Paraguay, Uruguay and Bolivia—have been for the most part successful. Now that the Eximbank, after refusing Argentina a loan to buy Boeing jets for Aerlineas Argentinas because of Videla regime's rights record, has approved a loan for Yacyreta-Apipe hydro-electric scheme, (another planned joint venture between Argentina and Paraon the upper Parana River), co-operation between the two countries is moving ahead

### Vital

There also is the consideration that 65 per cent of Paraguay's exports are marketed with Argentina, 50 per cent of them through the port of Buenos

Peru, although on the Pacific Ocean and not within the River Plate basin, is vital to Argentina geopolitically. Col. Ratten-bach comments: "Peru always has been a special ally. Moreover, Peru-and I am interested that the term be interpreted precisely—is a strategic com-pensator of the first category for Argentina, just as Chile is or Argentina, just as Chie is a strategic compensator for Brazil." He repeats: "Peru is a country of the first priority for Argentina."

When it looked as though Argentina and Chile would go to war over the Beagle Channel dispute, Argentina looked to Peru and Bolivia as natural allies. Both these neighbours of Argentina have serious standing grievances with Chile originating in the 1879-1881 War of the Pacific in which Chile annexed two provinces from Peru and took away Bolivia's outlet to the sea.

Argentina denies that in the months leading up to the climax of the Beagle dispute with Chile, in December last year, it forged an anti-Chile alliance with Peru and Bolivia

But it was a period when Argentina installed a test nuclear reactor near Lima, and promised Bolivia nuclear technology, and when Bolivia broke diplomatic relations again with Chile, claiming Pinochet regime serious in talks that was not supposedly aimed at returning to Bolivia its outlet to the Pacific.

In November, 1978, Peruvian Foreign Minister, José de la Puente, while on a visit to Santiago, Chile, denied the truth of a report then cir-culating that Peru had declared its neutrality in the Beagle dispute. generally conceded to be pro-Chile in the dispute, was, however, meticulous in denying it repeatedly.

Argentina's threat to take armed action against Chile in the dispute in the Beagle where the waters in the region are considered by Argentina to be its gateway to the Antarctic open for trade with the Far East and Australia.

Antarctica, a continent which holds out promises of untold riches for the future. Foreign Ministry in the outcome of the British General Election. There is a belief in Argentina, surely unfounded, that the Tories when in power

Punta Arenasi

is Labour. Argentina well realises the disadvantages, in its rivalry with Brazil, resulting from its low population (barely more than 25m) and the birth rate, which is one of the lowest in

the world. While the Government of Brazil, which has a growing population of 110m, is in the process of initiating a birth-control scheme, appeals to the Argentine populace by successive governments for an increase in the birth rate have come to nothing.

### **Immigration**

Horacio Ballester, who is on tue board, with Col. Kattenbach, of the institute of Geological Studies, sees massive immigration as the only solution to Argenunas demographic "We cannot expect a solution

Another retired army colonel,

solely turougn the vegatative growth of the population, he says, adding that immigration from Chile, across the cordi-lera, is the only salvation for Patagonia, the most sparsely populated of Argentina's many sparsely populated spaces. The Chileans, says Col. Ballester, are the ones who are the nearest, the ones who want to come and the ones who already are acclimatised to work in that region."

But the Argentines see a problem with Chilean immigra-tion. Many of the Chileans who already are in Patagonia (an inclement, windswept expanse where most Argentines refuse to live and work) maintain their close affinities with their native land, whether they have Argentine papers or not.

During the Beagle Channel crisis, Chileans in Patagonia especially were widely accused by the Argentines of constitut. ing a fifth column—"spies in our midst." But Col. Ballester says that

the problem is not the influx of Chileans into Patagonia, but that there are no controls on their immigration. He relies on Channel — which is at the Argentine Government controls, southern tip of South America as well as communications, paved roads, air fields, ports, radio and television to make good Argentines of the Chilean reflected this country's deter-mination to keep the sea lanes immigrants in the north-west and the Paraguayan immigrants in the north-east.

The Argentines' need sovereignty over the Falkland populate their country, and in Islands, a British Crown Colony so doing make full use of its which Argentina calls the Mal-vinas Islands, is also tempered the prime consideration behind

**BUENOS AIRES** San Rafae Bolivá Bahia Blanca, Atlantic Ocean Comodoro Rivadavia FALKLAND ISLANDS (Br.) Rio Gallogos RGENTINA

development.

approved in January, is a case in point. The nuclear plan is the best chartered of all the development plans. The only Latin American country so far are more adamant in upholding with a functioning nuclear Britain's continued sovereignty over the Falkland Islands than power reactor, Argentina will have a second one working by the end of 1981 and has ear-marked \$10,000m for the instal-lation of four more of them. plus a heavy water plant, by

> Argentina's decision to install a heavy water plant as soon as possible—because the line of reactors for which it has opted uses natural uranium, which the country has in appreciable quantities, and so must have heavy water for the moderator -has caused a considerable stir in Europe and the U.S.

> The State Department has voiced its "preoccupation." Argentina has not signed the 1976 Tlatelolco (Mexico) nonproliferation treaty, and last month, the president of the National Atomic Energy Com-mission, Rear Admiral Carlos Castro Madero, announced that Argentina is ready to renounce any further technical assistance from that entity (although it will not withdraw from the International Atomic Energy Organisation), "because of the

the Videla's regime's ambitious nanorances part up of plans in many instances still developed countries and the net well defined, for excessive restrictions on the countries are technology." interchange of technology."

He-added that Argentina

American : .... other Latin countries interested in developing their own nuclear capability. He also said that Argentina is mterested in plutonium technology "which care de could double our reserves and make possible the utilisation of a new generation using overy m of power plants, plutonium, in the 1990s."

### **Reactors**

In other words Argentina will be iss In other words, Argentina will be isswants breeder reactors which the will as are capable of producing the splanment sel radioactive fuel which they use it is put the Admiral Castro Madere said and the new state and a producing the new state of has only peaceful ends and a littlest comus has only peaceful ends and a little terminal rejected a reporter's inentions (2007) salary that Argentina is the "nuclear solary leader" in Latin America - 1992 for the phrase is irritating for the puntries to create a competitive little or resignatuation between our country to the puntries and Brazil both nations have salar for the elaborated their own nuclear for the puntries in direct relation to their files terms to plans in direct relation to their will see ow in needs and realities."

The admiral added that will see our far whether Argentina one day will see to be make an atomic bomb is "ar sock will be eminently political decision."

Deciding the service of the service will be eminently political decision.

**PESQUERA DEL ATLANTICO** 

SOCIEDAD ANONIMA INDUSTRIAL & COMMERCIAL

FROZEN ON BOARD FISH

URUGUAY 824-2nd Telex: 1869 THAS AR 1015-BUENOS AIRES Tel 425231 ARGENTINA

### Party games with capital taxes

BY CEDRIC SANDFORD

Whatever the result of that the tax could be interred strong. It breaks down in the General Election, changes in British capital taxation are almost certain to follow. They will differ greatly, though, depending on who wins on May 3.

#### A Labour Win

Labour victory would bring the most marked an annual tax on net personal of a wealth tax had been around in Labour Party circles at least since 1955 and it appeared in both 1974 Labour manifestos. Government since its manifesto commitment, do we still not have a wealth tax?

The story is worth re-telling. Mr. Denis Healey, the Chancellor of the Exchequer, pledged himself to the tax in his first budget. A Green Paper, notable for its vagueness, appeared in the summer of 1974. A House of Commons Select Committee took evidence during 1975. It failed to achieve a majority report, but the various minority reports had much in common and a mass of evidence was collected. Thus, in the autumn of 1975, the basis for legislation was there if the Chancellor had chosen to act.

At this point Mr. Healey's resolution wavered. In December 1975 he announced that because the Select Committee had taken "a good deal longer than the Government had hoped" and because of "the many issues involved" he could ing year he indicated that he was tax during that Parliament, Any hopes Mr. Healey may have had

quietly were quickly dashed. A practice because wealth taxes working part was set up by the inevitably generate their own TUC/Labour Party Liason Comforms of inequity. Some assets, mittee to seek practical ways of like personal valuables, are introducing a wealth tax.

not included in the Manifesto) except that the threshold, set at bring the most marked £100,000 in 1977, was raised to change: the introduction of £150,000 in July 1978 in a later agreement of the TUC/Labour wealth over £150,000. The idea Liaison Committee. The report proposed the family, rather than the individual, as the tax unit: rates rising from 1 per cent to per cent (on wealth over Why then, after nearly 25 years £5m) with no ceiling provisions; of talk, and five of Labour relief for small businesses. working farmers and forestry on the same lines as CTT; full exemption for heritage property subject to reasonable public access. The value of accrued pension rights was to be ex-cluded from the tax base. The introduction of a wealth tax, it was suggested. might make possible some reduction of income taxation on earned income.

Two main arguments for a wealth tax were set out by Mr. Healey in the foreword to the Green Paper. The first is an emigrate. But is the target argument of equity. Weakh right? The Reports of the Royal gives its possessor advantages Commission on the Distribution over and above the income of Income and Wealth have derived from it, such as security, independence, opportunity. An equitable tax system must take held by the top 1 per cent of account of this taxable capacity. wealth holders (from 28 per Income tax differentiation, as in the UK, is an imperfect way 18 per cent in 1975); but the of achieving the equity objective proportion of wealth held by because it fails to tax wealth such as jewellery, which yields no money income, and it taxes not propose legislation during inadequately wealth which the current session. The follow- yields little income but generates capital appreciation. not proposing to introduce the Hence income tax should be

forms of inequity. Some assets, easily concealed from the tax-The working party's report man whilst others are not. Some was endorsed by Mr. James like stock exchange securities, Callaghan, the Prime Minister, can readily be valued at market and other members of the price, others like land and cabinatin Description of the price, others like land and cabinating prices. cabinet in December 1977. Its private businesses cannot and in recommendations are thus a practice are generally under-clear indication of Labour's proposals (the details of which are sion rights creates major unfairness between persons, especially in inflationary times. Such inequities affect all existing

wealth taxes; Labour's proposals are worse, for they completely deny the principle of equity. The logic of the equity argument is the replacement of the investment income surcharge by a wealth tax. But the vast majority of wealth-holders would be below the threshold of £150,000, which is at least three times as high as that of any Continental wealth tax, and they would still be left paying surcharges on unearned income. Where is the equity for them? The second argument, and that most stressed by Labour,

is that wealth taxes reduce inequality in the distribution of wealth. Labour's proposals would contribute to this objective both by reducing the wealth of the very wealthiest and by encouraging them to revealed a very marked decline in the proportion of wealth cent of total wealth in 1960 to the top 5 per cent, or the top 20 per cent, has fallen much

Yet a wealth tax with a threshold of £150,000 would affect only a fraction of 1 per 10 per cent return on wealth a cent of top wealth holders, the 1 per cent rate of wealth tax is



serious policy for reducing inequality by means of an annual wealth tax must spread its net far wider. Moreover many egalitarians consider any wealth tax an unsuitable instru-ment for promoting equality because it is insufficiently discriminating. Wealth is taxed equally irrespective of source: whether acquired by hard work, saving and enterprise, by saving and enterprise, by inheritance, or by winning the

A threshold as high as £150,000 has distinct advantages. It would alienate fewer electors, be easier to administer and have less serious economic repercussions than a wealth tax with a lower threshold. None the less the economic detriment would be real. Many of those affected would be paying wealth tax and income tax combined at a marginal rate above 100 per cent of income; some would be paying at an average rate of over 100 per cent. Assuming a

wealth, at present income tax ness confidence at a time of between husband and wife or legacy. There is an honour-rates, and allowing the invest- lieavy memployment and high effectively double the limits for able. Conservative tradition ment income surcharge to be offset, the maximum marginal rate of income tax and wealth the tax. tax combined would be 133 per cent. Any ceiling provision (limiting the proportion of income taken in income tax and wealth tax combined) was expressly ruled out by the Labour Party/TUC agreed proposals.

If marginal tax rates exceed 100 per cent of income, saving is futile; if average rates exceed 100 per cent of income, saving is impossible. The only benefit to the wealth holder from trying to restrict consumption is to reduce the rate at which his property declines. Such a wealth tax must be expected not only to reduce savings amongst the rich but positively to promote dissaving: the rich may well start consuming more of the cake, not less. Such tax rates also constitute a strong incentive to evade.

The concessions to agriculture and to private business will reduce the impact of the tax on productive assets. But at present farm values many owner-occupiers would come within the clutches of the tax and might feel obliged periodically to sell some land to retain the rest, reducing the viability of their farms. Although the tax might cause land prices to fall sufficiently to take some farmers out of its orbit, a substantial drop might generate bankruptcies among recent buyers. Building up a private husiness would become more difficult, and a wealth tax would still have to be paid (even if on a lower value) when profits were small or negative. Mr. Harold Lever, the minister with special responsibility for small business, has not hidden his dislike for a wealth tax.

supplemented by a wealth tax. very section where wealth hold- equivalent to a 10 per cent in- Add to these demerits the In theory this argument is ing has declined most. Any come tax, a 5 per cent wealth abnormally high collection costs

communications and Plumbing President Carter.

GENERAL

tax to a 50 per cent income tax. for little revenue and the annual exemption to inheritance duty where the tax At that rate of return on psychological damage to husi- £2,000. Tax free transfers falls on the recipient of a gift inflation, and it is little wonder, a married couple. that Mr. Healey sought to drop

In a negative way the Conservative Manifesto is wholly explicit. "We reject Labour's plan for a Wealth Tax," it says. But the positive Conservative proposals are coy: "We shall deal with the most damaging features of the Capital Transfer and Capital Gains Taxes, and propose a simpler and less oppressive system of capital taxation in the longer term." Conservative policy, no less

flected differences of opinion. Mrs. Thatcher, as a Shadow Chancellor bidding for the party leadership, castigated Capital Transfer Tax in the House of Commons, "We shall therefore repeal this tax," she said on January 21, 1975. Not long after, her Treasury shadows were seeking to disengage from the commitment by talking of removing the teeth" from CTT whilst taking an unhurried look at possible long-term changes. That the promised Opposition Green Paper" Oπ capital taxation failed to materialise almost certainly reflects differences of opinion Thus we the party. only speculate about forthcoming changes.

First, the more immediate changes to CTT. Since Mrs. Thatcher's pledge of January 1975 much has happened. The Government has conceded lower rates for life-time gifts than for property left at death. Subsequently substantial concessions were granted to agriculture and industry, the zero

The scope for avoidance is hardly less than under estate Balfour, Winston Churchill and, duty. Indeed, OECD figures\* show that whereas in 1965 the old estate duty contributed 2.6 the equivalent of 0.81 per cent servative philosophy of seeking of GDP, in 1976 only 0.87 per both to curb the State and procent of UK revenue came from mote a property-owning department. death and gift taxes, equivalent mocracy. Whereas a donor-to 0.32 per cent of GDP. In the based Capital Transfer Tax to 0.32 per cent of GDP. In the death and gift tax revenue to GDP. Britain was top in 1965; by 1976 it had fallen four

With Mr. Healey proving such an effective dentist it is difficult to see that more extraction is required. Apart from a more generous basis of relief for maintenance funds for the sup-port of heritage property, to which the party is committed, than that of Labour, has reone possible change is a reduc-tion of the cumulation period. say from lifetime to 20 years or 10, during which a donor's gifts absolute majority then Liberal are aggregated for tax purposes.

The most "damaging feature" of Capital Gains Tax (CGT) arises from inflation: CGT may be levied on a money gain even when there has been no real gain. Mr. Nigel Lawson, an opposition Treasury affairs, has pressed the Labour Government to inflationproof the tax by indexing the acquisition price of assets in calculating the gain. The Government rejected this solu-tion and instead eased exemption limits. Some indexation may be introduced by the Conservatives or they may go further along the easier but less logical path of exemptions and

In the longer term the most interesting issue is whether the Tories would retain a donorbased capital transfer tax or

favouring inheritance tax.

Lord Randolph Churchill,

more, recently, Lord Barber were all sympathetic to it. A donee-based tax would be per cent of total tax revenue, entirely in line with the Conservative philosophy of seeking OFCD lengue of the ratio of reduces inequality solely by transferring property from the wealthy to the State, a doneebased tax acts as an incentive for the wider diffusion of property within the private sector: unlike CTT, with a donee-based tax the more widely a man spreads his wealth, the less the tax on it.

#### Draw

If neither party gains an proposals may come into their own. The Liberals advocate a wealth tax, but one which would completely replace the investment income surcharge, and be part of a package designed to reduce income-tax rates dramatically.
The Liberals also specifically propose to replace CTT by a by the recipient. There might be enough common ground for a Lib-Lab pact to produce a wealth tax allied to substantial cuts in income-tax. Just con-ceivably a Lib-Con agreement might replace CTT by an inheritance tax.

The Taxation of Net Wealth, Capital Transfers and Capital Gains of individuals, OECD, 1979.

of Political Economy and Direcband limit was raised to £25,000 switch to a donee-based gift and . Studies, University of Bath-

### Letters to the Editor

### A Treasury dream :

From Dr. P. Cuff

Sir,-Your readers may be in-

phrase:— "Ladies and gentlemen, your votes have elected a new Government. You are entitled - n to know how it interprets your corporation. On the other a wishes. We believe first of all hand Mr. Wedgwood Benn, as ir that you want less government is ... secondly you want govern-

ment to control the disease of inflation that government itself generates ... thirdly you want ously terminated. nonest government. . . . Accordingly every member of

HMG will put his money where otherwise his mouth would be. A new bond will be issued, and Et every Minister will, as a condition of employment, sell all his investments and put the entire proceeds into the new stock. In addition each Minister will be required to invest annually 1/10 of his (gross) salary in the it stock. No Minister may sell any before 1984, save-I apologise for the pun-in the event of death or resignation. and any Minister who attempts to evade his obligation to invest will be sacked. Finally, if the 32 stock ever falls below its issue price, Ministers will permanently forfeit £1,000 of annual salary for every point fall. . . The new stock will be called Treasury Dream 1984. . . . With Treasury Dream '84

Ministers have the incentive to succeed. You should be given the opportunity to share in the benefits. So Treasury Dream will be open for public subscription until the end of the month. The amount on offer will be limited to my estimate of this year's CGBR which is . . . (gap in text). "After the end of the month no further funding will take place before April 1980, when the next, smaller tranche of the same stock will be issued. The days of debt stretching into the next century are over. The sooner the institutions realise this the cheaper will they purchase Treasury They will certainly Dream. appreciate the full implications of no more funding this vear....

You all have the chance now to lend money to a Government that is itself personally at risk. You can be confident that Ministers, and their friends in the City, will ensure the lasting success of the issue.

Ladies and gentlemen, the Government's chief objective is mutual confidence and trust. . .

At the end of the speech there is a pencilled minute: "Add point that interest payments will, of course, be tax-free (immoral for a borrower of claw back what he has agreed to pay). On price and coupon consult Carter via Jim's son-in-law and persuade him to make similar issue. If he were to agree we need pay no more than

5 per cent." Dr. P. J. Cuff. Pembroke College, Oxford.

### Aircraft and government

From Mr. J. Morrell. Sir.-Ms. Hayman (Labour terested in a copy of a speech April 23) really should be more found recently in the lavatory careful in her use of the of an Oxford College more Boeing Company to illustrate famous than the one to which I the benefits of long-term plan-belong. This speech, marked in the British aircraft to be delivered on Friday, May 4. 1979, and every five years short-term profits, and that only thereafter," is too long to quote a Socialist Government could in full but I append a para- and would ensure investment for the future, if necessary, at What paipable nonsense. deserved success of Boeing was achieved by a private enterprise the Minister responsible, committed this country to following through the financially

disastrous Concorde programme which is now being ignomini-One is tempted to go one stage further and compare the value that American airlines deliver to their internal custo mers under competitive private enterprise with the nationalised airlines of Europe. The cost per mile flown is, in my experience, well under half and in many cases one third of the European equivalent Of even greater interest is that the Civil Aeronautics Board, the Government Department which con-

trolled the airlines, is currently in process of winding itself down-having done its job. American experience is in fact the strongest possible support for Mrs. Thatcher's view that government has become too big and has misinterpreted its proper role. In terms of both providing real long-term job opportunities and consumer satisfaction the American lesson particularly clear, and we should perhaps be grateful to Ms. Hayman for making the

point.
J. A. Morrell, Crosby Square,

### Accountants differ

From the Executive Director, Society of Company and Commercial Accountants.

Sir,—The president of the Association of Certified Accountants has drawn attention (April 26) to the dominance of the major accountancy firms over the profession, and to the danger of Government interintervention in its affairs. He suggests that there is an urgent need to redress the balance between the international giants and the smaller firms, and mentions, almost as an aside, accountants who are not in public practice.

Some of us have always insisted that the distinction in-company **between** the accountant and the practising accountant and auditor was not recognised clearly enough within the structure of the profession, and have seen the two as constituting quite different professions. As between large and small practising firms there exists a similar gulf, and it may well be that there are three

rather than two. A profession whose organisation manifestly fails to reflect the functions and responsibilities of its members is one which probably, for quite irrelevant

into the maw of bureaucratic sion, finally leading to unhurcontrol. The professional bodies ried mutual persuasion, is the must seriously consider what cherished method of tackling business they are in if they are social and national problems). to continue in it for much

longer. R. H. S. Beacham, Society of Company and Commercial Accountants, 40, Tyndalls Park Road, Clifton, Bristol.

### Dividend vouchers

Sir-Like many an investor I have been engaged in listing dividends and tax credits for happens, I also have to inform companies of a change of address. The last year's dividend vouchers give most of the information I need for both purposes, but how time-consum-

All the vouchers give the same information about the dividend payable, the tax credit, the sequential number of the dividend, the payment date and the company registrar's address. The style of presentation however seems to be almost entirely a matter of whim. Again most companies give a reference number to be quoted in correspondence, but not all do so, and some like to change it from one voucher to the next.

At the risk of being thought a kill-joy, may I suggest that it would save time and frustration if companies could be persuaded to adopt a common format, restricting the elegant variations to their titles and David Senior.

16, The Willows. Chesham Bois, Amersham, Bucks.

### A Sheikh not in danger

From the Ambassador of the United Arab Emirates Sir.—Your article of April 26 entitled "A Sheikh in Danger" was a sad example of irresponsible sensationalism which is quite out of line with the standards of journalism we have learned to associate with your

The dramatic picture painted in your columns of the United Arab Emirates in turmoil and, particularly, of a potential upheaval in the Emirate of Ras Al Khaimah, has no basis in truth whatsoever, and one can assume very regrettably innuendo, rumour and that gossip has taken over from informed and detached report-

I have no intention of refuting each and every distortion and fabrication that the article contained, many of which are thinly-disguised in your own words by vague references to "speculation," "local reports" and other tendentious attribu-I would like to simply assure

your readers. who may have been led to believe otherwise by your article, that there is no "rebellion," active or dormant, in the United Arab Emirates. While differences may arise every now and then over details of policy (as is natural in a society where freedom of opinion and traditional values of individual expression prevall, and where widespread and 126, de Beauvoir Road, N1.

UK: Official opening by Prince Charles of the first stage of London Transport's Underground reasons, may fall all too soon often open and heated discus-Jubilee Line from Charing Cross to Green Park. Prime Minister is Jimmy Young's guest on BBC Radio 2. Mr. William Whitelaw, Tory cherished method of tackling Party these differences certainly do not amount to anything approaching the theme of your

article. Outsiders who scarcely appreciate the subtleties and nuances of traditional Arab exchanges, easily fall into the trap of quickly shouting "ten-sion." "crisis" and even "revo-lution" at the slightest mis-understood example of internal

It cannot be more emphatically stressed that no ruler or Emirates is less than fully committed to the idea of unity, and that the course of that union is

Incidentally, I would like to add that such developments as the reconstitution of the Cabinet cannot by any stretch of the imagination be construed as evidence of divisions and quar-The reorganisation of Minis-

terial posts is a routine and recurring feature in our political life, and is part of a continu ing process aimed at providing the best possible combination of leadership at the ton of our political and civil administra-Mohamed Mahdi Al-Tajir,

F.mhassy of The United Arab 30, Princes Gate, SW7.

### The nlan for Brasilia

From Mr. G. Gervis Sir.—The plan for Brasilia was not made by Oscar Niemeyer, as implied by Hugh O'Shaughnessy (April 24) but by Lucio Costa, who was not a "Marxist-Leninist." It was the result of a competition, one of the assessors being the late Sir William Holford. Niemeyer was the architect of many of the major buildings, starting with the presidential palace, and also

of some of the housing. That the aim of establishing the city during the five-year term of President Kubitschek was achieved, was a remarkable of determination and organisation. It is of interest that during this time Lucio Costa chose to follow the advice of the Italian renaissance architect Alberti to keep away from the works on site. This was to avoid practical matters relating to the construction interferring with the concept. He kept his office in Rio de Janeiro, and did not visit until the end of the Kubitschek term. In fact, many fertile ideas in his plan were lost, including one for land shareholding within the superquadros. These were squares of land, mainly for residential use, without through traffic routes. Costa had envisaged a process of evolution within these squares in which housing plots would later be used for multi-storey develop-

development, common to Brazilian cities. To equate the problems in the plan for Brasilia with those of doctrinaire Left-wing thinking is an inaccurate and unfortunate

shareholding was to have been

introduced to avoid some of the

problems of speculative city

ment.

The mechanism of land

hindsight. Guy Gervis.

### **Today's Events**

Union conference, Conference

Centre, Brighton. Union of Shop, Distributive and Allied Workers' conference, Congress Theatre, Eastbourne. Sir Derek Ezra, National Coal deputy leader, on Robin election phone-in, BBC Board chairman, speaks at Coal Industry Society's 50th anni-versary dinner, London.

World in Action (PTV) election special interview with party leaders and 500 electors. Parking meter charges in the Amalgamated Union of Engineering Workers' conference, Winter Gardens, Eastbourne, Electrical, Electronic, Tele-

City of London rise 50 per cent to 30p an hour. Overseas: Mr. M. Ohira, Japanese Prime Minister, arrives in Washington for talks with

Herr Helmut Schmidt, West COMPANY MEETINGS German Chancellor, meets Prime Minister Gaston Thorn in

Luxembourg.

Japanese trade mission arrives Amsterdam at start of European tour. Sr. Adolfo Suarez, Spanish Premier, starts two-day official tour of Algeria.

COMPANY RESULTS Final dividends: British Home Stores. Canadian and Foreign Investment Trust. City Hotels Group. Comfort Hotels International. Hunting Associated Texas (until May 3).

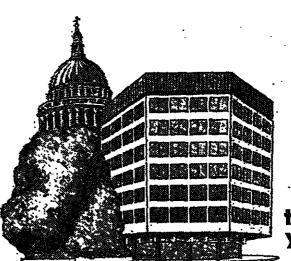
Industries. John Laing. Tootal. Interim dividends: Wellco Holdings

See Financial Diary on page LUNCHTIME MUSIC. London

Piano recital by Geoffrey de Sarah at St. Lawrence Jewry-next-Guildhall, Gresham Street, 1 pm. Organ recital by Philip Berg at St. Michael's, Cornhill,

**EXHIBITIONS** Bristol Boat Show opens (until May 6). Offshore technology conference

and exhibition opens in Houston,



If banking is a service business, then it should be on service that you judge a bank.

Bank of Boston House, 5 Cheapside, E.C.2.

We've spent 57 years in the City, building an organisation to cater for the toughest judge of all: the financial professional.

That's why The Bank of Boston in London offers a surprising depth of service to international customers-including an active foreign exchange dealing department and the facilitating of investments in

Why we have unusually good representation in 40 countries. Why our two hundred people in London aim at the highest standards (if you give the best service, you have the best bank).

We are one of the top ten US international banks, and a major force in correspondent banking.

And six out of the top ten companies in the prestigious "The Times One Thousand" are our customers.

Do you put a premium on service too? We look forward to meeting you.



### Boston. The bank for financial professionals.



IRAN, JAPAN, ILIXEMBOURG ; MEXICO: PANAMA, SENGAPORE, SPAIN, UU., U.S.A., URUGUA:, VENETLEIA

THE FIRST NATIONAL BANK OF BOSTON Bank of Baston House, 5 Cheapside, London EC2P 2DE (Tel: 01-236 2388). Also at: 31 Lowndes Street, Belgravia, London SWIX 9HX (Tel: 01-235 9541), ANGE JINA AUSTRALIA, BAHAMAS, BOUMA, BRAZIL CHANNEL ISLANDS, DOMINICA L'EFFURIC, FRANCE, GERMANN, GUATEMALA, HAITI, HONG KONG

Another broadside was fired he was not against a Lonrho bid also been placed. The placing yesterday in the battle for in principal but was reluctant to has been with about 150 indicatorized of Scottish and Universal settle at the current offer. Investments, currently under a £60m offer from Lonrho.

A joint statement issued by Mr. Bruce Fireman of Charter-trusts 195p per share and then house Japhet, financial advisers 200p a share—both offers above to SUITS, and Mr. George Willett the general Lonrho offer. But of Grievson Grant, the company's the stockbrokers, hits out at Mr. acceptance of the Lonrho bid "Tiny" Rowland's claim that the consortium offer to buy out Sir Hugh Fraser's family trusts' 9 cash. per cent stake in SUITS at 200p The a share is wrong.

The joint statement says that "anyone who believes an offer is too low is free to buy shares in an offeree company at any price he likes to assist the company to stay independent or to stimulate a higher offer." Mr. Fireman said yesterday that the move to acquire the

Fraser trusts' holdings was " not to foil the Lonrho bid but to help protect the vast majority of individual shareholders who do not want to accept the present bid. Lourho wants SUITS so much that it will raise the price." Mr. Willett said that "if it is argued that Lourho's general offer will only succeed if the trustees (of the Fraser trusts) accept it in respect of their 9 per cent holding then it follows, as night follows day, that the vast majority of all other independent shareholders of

On Friday, a syndicate of eight institutions, organised by Charterhouse, offered the family trusts have indicated worth 194p a share consisting of one Lonrho share plus 115p in

The first offer, rejected by the family trusts, was approved by the Take-over Panel, and Charterhouse expects Panel Charterhouse expects Panel approval for the second 200p offer, which is also likely to be

### John Baker (Insulation) placing

Dealings start tomorrow in the latest company to make use of the Stock Exchange's unlisted securities market. John Baker (Insulation), which is a leading UK specialist in cavity wall and roof insulation has arranged a placing with the aid of Talisman Portfolio Management of Portfolio Management of £200,000 £1 preferred ordinary shares at £1.15 each raising

SUITS, who represent 61 per cent of the equity, are against Lonrho's offer."

A further 60,000 shares, mation Service allotted in consideration for the acquisition of the freehold of Robert Mines (Mr. Fireman made it clear that the company's head office have Miscellaneous.)

The directors will hold some 17 per cent of the deferred shares and chairman Mr. J. C. Baker who founded the company in 1972, holds a further 350,000 deferred shares. These can be converted into preferred ordinary on the payment of 90p outstanding per share.

Financier, Mr. John Bentley holds about 4 per cent of the preferred shares and is a nonexecutive director acting in a consultative " capacity.

In 1974 the company made a pre-tax profit of £36,222. The following three years were periods of losses and in 1978 there was a minimal £3.578 profit. The directors are looking for profits this year of not less than £50.000. They also forecast a final dividend of 9p per share. or 12p for a full year.

Mr. Baker says that the market is ready for a full recovery beyond the 1974 peak before restrictive building regulations in 1975 cut the entire industry back to around a quarter of its former self.

### FT Share Information

The following security has been added to the Share Information Service appearing in the Financial Times:

### Laird opens with major orders

SIR IAN MORROW, chairman to £1.58m) where there was a furnaces. Without this change of the Laird Group says that substantial recovery in profits the metal industries division already mapor orders have been from steel, and in transport would have made a substantial already mapor orders have been from steel, and in transport would have won in the opening months of engineering (profits up from loss in 197 1979 and, in particular, orders £3.76m to £5.04m) where the Meeting, worth almost £100m have been value of deliveries of rapid 4 at noon. secured for rapid transit trains.

These comprise a further order for the mass transit railway system in Hong Kong and a new contract to supply rolling stock for the Kowloon and Canton railway. Among other large orders taken this is the second order for which the group's welding interests have received for a steel works flash welder and this has a selling price of over £1m, says Sir Ian. In 1978 group pre-tax profits rose from £9.1m to a record

The increase came not only from the UK but also from the group's overseas manufacturing interests, which continued to account for over 40 per cent of group profits.

in the metal industries division

share to 4%.

Mr. John V. Sheffield will be retiring from

the board of Portals Holdings Limited at the

Annual General Meeting in May after thirty

years as a director, the last ten as Chairman.

Profits before tax in 1978 rose by 10% and

sales by 7%. The increase in the capital base arising from the conversion of the loan

stock restricted the increase in earnings per

Business generated abroad, taking into

account direct and indirect exports together

with the turnover of overseas subsidiaries,

accounts for some 63% of group turnover.

Profit before taxation

(Year to 31st December)

1978 £9.6m

1977 £8.7m

1976 **£6.8**m

1975 £5.4m

1974 £4.3m

1973 £3.9m 1972 £3.3m

1971 **£2.7**m

1970 £2.4m

Motor components and other engineering fell back slightly from £5.72m to £5.56m.

The loss by the shiprepairing division increased from £0.63m to £1.36m. This was due largely to the effect of the shiprepairing recession and one of the sub-sidiaries, Western Shiprepairers by the fall in oil tanker repair work, was placed on a care and maintenance basis in the middle of the year. The chairman says that following this rationalisation, the shiprepairing losses were reduced to minimal proportions during the latter months

The chairman points out that in the steel works a major invest-The main improvement came ment programme costing over the dividend is in the metal industries division £10m was carried out with the 1.3413p (1.14148 (profits were up from £241,000 installation of electric arc final of 0.9437p.

Portals'worthwhile

loss in 1978. Meeting, Quaglino's, S.W., June

### Sunlight rises to record £1m

As expected, taxable profits of Sunlight Service Group, laundries, dry cleaning concern. moved ahead in 1978 and finished at a record £1.07m against a previous £813,878. Turnover was up from £12.45m to £15.11m. Tax for 1978 took £548,783 (£375,409) after which earnings per 10p share are shown as 5.13p

against 4.32p.
Subject to Treasury consent the dividend is stepped up to 1.3413p (1.14148p) net with a

### GA chief attacks dividend policy

AN ATTACK on current restric-tions on dividend increases is retiring chairman of General Accident Fire and Life Assurance Corporation, in his statement with the 1978 report

Although the company's earnings per share increased by 24 per cent last year to 36.3p, it still did not provide the necessary cover for a dividend increase of more than 10 per cent, because it failed to exceed the exceptionally high cover of 1973. This, says Mr. Black, highlights the anomalies and inappropriate nature of the current limitations on dividend

policy. As already reported the group the U.S. for the first time since 1973 amounting to £4.9m and reduced the loss in the UK by half to £2.2m—leaving a small surplus on the world-wide underwriting result amounting to a marginal 0.2 per cent of premiums

But the solvency margin at the end of 1978 fell from 61 per cent to 53 per cent, reflecting mainly the fall in value of the U.S. dollar and the effect of increasing interest rates on the market value of U.S. bonds in

the portfolio.

The company, the largest motor insurers in the UK, incurred a loss in 1978 on its quent last year quite apart from those resulting from the bad weather in the first and fourth

He refers to the latest increase in motor premium rates of 13 per cent from February 1, 1879, and warns that whether these rates can be held for a year depends on the trend of inflation.
The UK householder account

continues to present the greatest underwriting problems and Mr. Black points out that there is still a large measure of underinsurance. The company has been forced to increase its rates for contents, which have stood unchanged for more than 50

Looking to the current year, Mr. Black hopes for further progress backed by the benefit of increasing investment income, but such growth will probably be at a lesser rate than that achieved in 1978. Mr. Black, retires after the AGM on May 23 to be succeeded by Mr. Gordon R. Simpson.

comment.

The Banknote and Security Paper

Division maintained sales and profits in

1978's highly competitive conditions and the current year should see a small increase in

production and sales tonnage. The big capital

projects at Overton Mill are broadly on

The Water Treatment and Engineering

Division is reaping the rewards of past

investment in people and products. For the

second year running it made a very satisfac-

tory advance in its many markets, some of

The current year will obviously be difficult

but we have been developing new markets,

expanding and improving our product range and we have a management team stronger

than ever before. We believe we shall con-

tinue to show progress in both sales and

which have been far from buoyant.

Profit before taxation attributable to

principal activities of the Group

Bank Note and Security Paper

Property

Water Treatment and Engineering

Less central costs and interest

Basic Earnings per share

Ordinary dividend

General Accident remains optimistic for 1979 and expects to hold last year's underwriting improvements despite the severe winters in the UK and the US. It is looking for a modest under-writing profit from America, and 3.267p to 3.3165p net per share

**BOARD MEETINGS** The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not evallable as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY
Interim:—Wellco.

Interim:—Welfoo.
Finels:—British Home Storas,
Conadian and Foreign Investment Trust,
City Hotels, Comfort Hotels (International). Charles Hill of Bristol, Huntning Associated Industries, John Laing,
M. Mole, Scottish Heritable Trust,
Tootal. FUTURE DATES

Brockhouse	May 23 May 8
Finals:— Allied Plant	May 2 May 2
Barrow Hepburn	May 9
Guardian Investment Trust Holt Lloyd	May 3 May 10
Sandhurst Marketing	

quarter (always a bad period) will record a smaller loss than usual. The group is still counting the cost of the UK's winter on the cost of the UK's winter on both motor and property business and this is certainly going to be significantly more than the losses for the first quarter of 1978. But a recovery to a break-even underwriting position is expected for the rest UK motor account. Mr. Black of the year. The under-insurance says that claims were more freproblem is not so severe in the UK householder account, and the latest motor premium increases should help recoup the

### Silhouette finishes up at £356,623

A lower second half deficit of £74,000 against £121,000 left Silhouette (London), foundation garments, swimwear manufac-turer, with taxable profits ahead £356,623 for 1978 compared

with a previous £300,617.
At halfway the directors reported profits up from £421,617 to £430.623 on sales of £8 94m (£7.52m) and said that the second half should continue to show increasing sales, but the pressure on margins remained severe. Sales for the full period finished at £16.49m (£13.48m).

The directors now say that sales for the first quarter of the current year are similar to last year, but that the pattern of trade has been badly affected by

the weather.
Earnings of 8.9p per 20p share against 10.19p are stated and the indications are that the first with a final payment of 2.5795p

#### SIMCO MONEY FUNDS Saturn Investment 66 CANNON STREET EC4N 6AE

increase in 1978 profits 12.C03 11.515 12.028 11.539 12.093 11.542 12.152 i 1 543

### Babcock & Wilcox to increase capital spending this year

12 months earlier. Of those April 1, 1979. amounts £36.8m compared with £25.42m had been sanctioned.

Expenditure in 1978 on new plant and facilities totalled-£19.7m of which £7.8m was incurred in the UK. In addition capital spending on new businesses and investments was £2m. The net liquid position of the

group has changed from a positive £5.8m at the end of 1977 to a negative £8.2m at December-31, 1978. The £14m outflow was used to finance additional work. ing capital resulting from increased overseas activity in the UK contracting companies and the FATA group of Acco. Aggregate borrowings, how-

er, jeclined from £68.4m to £62.1m including a movement from £50.1m to £28.6m in term oans. Of the £21.5m decrease £17m resulted from conversions of the 7 per cent bonds into paid up capital. Sir John King, chairman, says

that it is indicative of the success of this issue that since April 17, 1978 bonds to the value of \$33.69m out of the total of \$35m were converted resulting in the issue of 15.46m ordinary shares. This has significantly strengthened the group's capital structure. As reported on April 12 group profit before tax increased from

£32.28m to £39.56m.

Meeting, 116, Pall Mali, SW,
May 25, at 12.30 p.m.

FINE ART

The directors of Fine Art Developments propose that certain of the borrowing and charge. ing restrictions in the trust deed, constituting the stock should be relaxed. It is not, however, pro-

of 1978, compared with £27.9m; to 84 per annum with effect from 'pared with £455,000.

### Sun Life funds over

TOTAL FUNDS of the Sun Life Assurance Society passed the fibn mark in 1978, reaching £1:01bn by the end of the year. Long-term funds rose by £132m to £887m, following advances of 21 per cent in premium income to £163m, and in investment income, to £81m.

Mr. P. G. Walker, the chairman, reports that the society invested most of its new money in fixed interest security to take advantage of the high interest rates available. Some form was invested in this sector, compared with only flom invested in equities. But he expects a high proportion of new money this year to be put in the equity market.

In a reference to reversionary bonus rates, Mr. Walker warns that, despite record levels being declared, long-term savings by life assurance are being inhibited by paying out the policy proceeds in a grossly depreciated currency. Policy holders would get a better real rate of return with lower levels of interest and inflation, even if this implied reductions in the bonus levels, he says.

### **Antony Gibbs** declines

Babcock and Wilcox, the engineering and contracting combine, was committed to capital expenditure of f43.8m at the end be increased by one-half per cent table surplus to £407,000, company of 1978, company with 207.0m.

The directors say that banking conditions were less favourable. last year and the strong £ hit. earnings from insurance brokingin North America. They are look-

Action to Description of the Property of the P

was for

Harris ...

all boos

1 25%- N

1978 profits this year. The dividend is pegged at 2.1962p with a final of 1.4812p. There is an extraordinary credit. of £104,000 (£305,000).

ing for an improvment on the

At March 31, 1978, Hongkong and Shanghai Banking Corpora-tion held 40 per cent of the. ordinary shares.

### Alfred Herbert in stronger position

Alfred Herbert, the National Enterprise Board's machine tool subsidiary, is "in a far stronger position than it has been for many years," Sir John Buckley, chairman, says in the company's annual report.

While he is not able to make a forecast for 1979, Sir John says, the company's position has been strengthened by drastic action being taken in major

problem areas.

Last year the company incurred a net loss of £7.36m against a £342,000 profit in 1977.

Sir John says, it is evident. that 1978 was a year of many changes, all needed, although, some were painful. "It should also be seen as the point of completion of a three year process." of change and adaptation to the harsh realities of the world machine tool market which has involved reduction of capacity; posed to increase the aggregate Disclosed group profit after changes of product ranges and substantial the banker and timber product capital expenditure on improved facilities and machines." changes of product ranges and sales methods, and substantial

### M<sup>C</sup>Kechnie Brothers

INTERIM RESULTS-UNAUDITED Half-year ended Year ended 31st January 31st July 1978 £'000 £'000 55,327 48.488 101,896 Operating Profit 10,537 Share of Associated : 1.623 -2.957 Companies Profits 1 2823 1 1 1 8,785 1 7 1 37385 724 860 2333 Ordinary Dividend

NOTES-(i) Arising from the introduction of the Statement of Standard Accounting Practice on Group Accounts (SSAP.14), the results of the McKechnie Delta-Holdings (Pty) Ltd. Group of Companies, which have previously been consolidated, have now been included under Share of Associated Companies Profits using the equity method of accounting. The corresponding figures have been restated accordingly. (ii) The results for the year to 31st July, 1978, and for the half year to 31st January, 1978, have been restated to Taxation (SSAP, 15) which are being adopted as from 1st August, 1978.

Extracts from the review by Mr. C. C. Taylor, Chairman:

66 Progress was made in all areas. In the U.K. a satisfactory result was achieved despite adverse effects of the haulage strike and bad weather. In South Africa the economy continues its advance and profits improved, A similar encouraging situation prevailed in Australasia. Our second half started well and despite the uncertainties of a General Election we expect to report full year

MCKechnie Brothers Limited P.O. BOX 8, ALDRIDGE, WALSALL WS9 3DS.

### The Election is getting closer!

The party returning the greater number of seats to Parliament Z/2 Come value 2/24 and

To win and have no Overall Majority To win and have no Overall Majority 2/5 Conservative 7/1 La our 6/2 Conservative 5/1 Labour

ODDS FOR OVERALL MAJORITY CON SEATS 16/1 20/1 20/1 7-12 13-18 25/1 19-24 25-30 50/1



041-552 3626

CODD2 K	OR OVERALL	. MAJORITY
€ <b>O</b> .	\$	LAB
10/1	3,-42	100/1
12/1	43-43	200/1
	49-54	
16/1	55-60	500/1
	61-66	
	67-72	
I ·		

### Portals Holdings Limited

profits.

Water Treatment and Engineering, Bank Note and Security Pal Copies of the 1978 Report and Accounts are available from The Secretary, Laverstoke Mill, Whitchurch, Hants RG28 7N

1978

4,310

9,974

9,566

25.19<sub>0</sub>

8.794p

£000

1977

5,179

3,298

9,053

8,676

24.21p

7.877p

377

576

#### LOCAL AUTHORITY BOND TABLE Annual Interest

Authority Minimum of (telephone number in parentheses) Knowsley (051 548 6555) 4-year Poole (02013 5151) ..... Poole (02013 5151) ..... 500 Redbridge (01-478 3020) ...... 11 <u>4</u>-уеаг 45 Rodbridge (01-478 3020) ...... 111 200 Wrekin (0952 505051) ...... 11

CORAL INDEX: Close 546-551

INSURANCE BASE RATES

† Property Growth Vanbrugh Guaranteed ...

### Resignation of chairman at Alsthom-Atlantique

BY DAVID WHITE IN PARIS

engineering group, has led to being maintained at a net the resignation of its Chairman, FFT 6.

M. Pierre Loygue, despite a M. Loygue, chairing the successful profit record last Board meeting called to

The company, which has annual sales of about FFr 10bn (\$2.3bn), was formed by a 1976 merger between Alsthom, the goods industry could only be in the nuclear sector and is heavy electrical engineering offshoot of the CGE Group, and the Chantiers de l'Atlantique

Saudi contract

Ballast-Nedam

BALLAST-NEDAM, the Dutch

construction group, expects a marther rise in profits in 1979 on top of sharply higher turn-der. This will be largely due

to the completion of part of a

Fi 4.7bn (\$2.3bn) housing project in Saudi Arabia, the largest eyer won by a Dutch concern.

The company expects to win

further Middle East orders this

year. Profits and turnover in

Holland will be adversely affected by the recent severe

winter weather but prospects

for all divisions are reasonable.

Turnover will continue at a high level in 1980 because of

the Saudi order but there will

Investment is expected to fall

to about FI 45m, (\$22m) this

year after rising by 55 per cent to Fl 110m in 1978. Despite

flow this year. Ballast feels a

further strengthening of its

assets is needed, it said in its

is completed.

will boost

By Qur Amsterdam Correspondent

the reason for his departure the somewhat oblique comment that the problems of the capital solved in the long term. He was weighed down by depressed replaced by his number-two, shippards.

M. Roger Schulz.

Alsthom-Atlantique holds a

A POLICY clash over the ship cent higher than in 1977, the M. Ambroise Roux, recently building activities of Alsthom first full year of activity after expressed concern over the Atlantique, the big. French the merger. The dividend is losses of the shipbuilding sector, which makes up a quarter of Alsthom-Atlantique's business. CGE is believed to favour a approve the results, gave as loint solution in this field with the Empain-Schneider group, which like Alsthom-Atlantique is heavily and profitably engaged

Sainyard.

Behind this change is a well-key position in supplying turbolis financial recovery, in spite
of the critical shortage of ship
orders, was confirmed by a 1978
net profit of FFR 75.4m, 9 per cent. The CGE chairman,

Assinom-Ananique noiss a
key position in supplying turboalternators for nuclear power
stations. Its other products
range from boilers to railway
locomotives.

### Nedlloyd outlook poor as dividend is cut

BY CHARLES BATCHELOR IN AMSTERDAM

A FURTHER worsening of the Nedlloyd's result suffered results of the Nedlloyd group, from the high cost of operating results of the Nedlloyd group, from the high cost of operating Holland's largest shipping line, from Holland and from overise expected in 1979. The comcapacity in the tanker and bulk pany faces continued tough comcargo markets. The lower petition on most of its dollar rate led to a FI 15m cut in profit.

The losses due to the delayed delivery of the container yessel.

scheduled routes from non-Conin profit.

ference lines as well as from The losses due to the delayed Comecon countries. Net profit delivery of the container vessel fell to F1 40.6m (\$19.8m) in Nedloyd Hoorn, are put at 1978 from F1 91.4m the year F1 30m. The company is seekbefore, on 3.5 per cent higher sales of F1 2.41bn (\$1.17bn). It Schelde-Verolme for this ship proposes cutting its dividend to F1 6 per F1 50 share from F1 9.

### **Brascan Board attacked**

TORONTO - Another block ings of about 700,000 shares, worth.

he a slight fall in 1981 when it counsellors, said it has sent a Edper Equities. letter to Mr. J. H. More, the chairman of Brascan, with the ated by a single block of about criticism and a call for a meet 600,000 shares held by interests the fact that investment spend-ing will be lower than cash ing between Brascan share representing Mr. Max Tenen-holders and management to baum, president of York Steel explain the Brascan move.

Mr. Barry Zuckerman, a viceinvestment firm, said that which Mr. Zuckerman, alone McKenzie and Sarlos is acting with Mr. John McKenzie and Sarlos is acting with Mr. John McKenzie and on behalf of a group of client Mr. Andrew Sarlos are directigher turnover of Fl 1.76bn.

of Brascan shareholders is or about 2.5 per cent of criticising the company's pro- Brascan's outstanding shares. posed bid to acquire F. W. Wool- He said this represents the largest block of non-institutional McKenzie and Sarlos, a shareholders of Brascan and Toronto firm of investment the second largest block after

These holdings are domin-Construction, Toronto, and another block of about 100,000 president and partner in the shares held by HCI Holdings in

### Crisis at Denmark's computer group

By Hilary Barnes in Copenhagen

REGNECENTRALEN, Den-mark's only domestically owned manufacturer of ocmputers, announced on Friday that it has suspended payments to creditors and given notice to all its 1,050 employ-

The company had a turnover in the year to end March 1978 of about DKr 400m (\$75.6m), and pre-tax profits of DKr 12m (\$2,26m), A DKr 16m loss by the Norwe-gian subsidiary during the last accounting year, blamed in part on "incorrect information from the subsidiary to the parent company," and chaotic accounts caused a cash crisis which the company was unable to ride out.

Mr. C. C. Sandberg, the managing director, said that the company would look into the possibilities for a finan-cial reconstruction. "There are a lot of activities here and abroad which are sound and we hope we can continue them," he said.

The group has service and sales subsidiaries in ten countries. employing about 388

The group, which specialises in small computers, has never received assistance from the Danish Government, unlike its competitors in most European countries. The management has complained that its chances of survival are reduced because the Government and other public organisations have refused to give the group preferential treatment, but have invested in foreign earinment, especially from IRM which dominates the Danish market.

It is understood that foreign investors are interested in taking part in the reconstruction of the company.

The company now has five months in which to clarify its future, but Mr. Sandberg said hoped this could be achieved much more quickly.

Apr. 27 | Apr. 26

Gold Bullion (fine ounce) \$2444,2451,52424,243 \$218.9-19.31 ng ....52423-24312-8245-2485, \$218.9-118.7 (£118.9-119.5)

\$243.70 -(£118.502)

Krigerrand, 3250-200 (\$254-14-255) \$2124-1265; \$2124-1265; New (\$655-6734 (\$656-671<sub>2</sub> Sovereigns (£32-55) (£32-55) Old (\$112-831<sub>2</sub> (£381<sub>2</sub>-891<sub>2</sub>) Sovereigns (£395-493<sub>2</sub>) (£381<sub>2</sub>-391<sub>2</sub>)

Gold Coins, Internationally

Krugerrand. \$251 \( 2.253 \) \$249 \( 2.250 \) \( \text{122} \) \( \text{12

Gold Coins, dor

Opening ...

### For the convenience of readers the dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements, except where the forthcoming Board meetings (indicated thus\*) have been officially published. It should be emphasised that the dividends to be declared will not necessarily be at the amounts or rates per cent shown in the column headed "Announcement last year." Preliminary profit former usually accommany final dividend announcements. profit figures usually accompany final dividend announcements. Announce Date ment last Announce-ment last

Akroyd and

Keyser Ullmann...May 24 Final 0.67 [WT .........Mar. 30 Int. 3.555 Flaing (J.) .....Apr. 30 Final 1.869

E Guinness Mahon ..... 12 % 5 Demand

\*Laing (J.) ......Apr. 30 Final 1.8
\*Lioyds and Scottish...May 10 int. 1.7

SmithersMay 10	Int. 5.0	NorthernMay 9	Final 1.2
lied Iriah		MEPCMay 24	Int. 1.5
BanksMay 10	Final 4.5 fcst.	Marks and	
on RubberMay 24	int, 4.0	SpencerMay 8	Final 2.544
C IntolMay 24	Ing. 1,65	MarieyMay 31	Inz. 1.0
nk of		*Mothercare May 8	Final 1.904
IrelandMay 17	Final 10	*Nat. and Comm.	
39	•	BankMay 2	1-1 1 276
CharringtonMay 25	ing. 1.8	Newmen Inds. May 11	int. 1.375 4.5 torecast
echamMay 25	Fin.11.5575fcst	Northern	419 IGIRCARE
61 ysM 210	Sec. Int.1.9183	FoodsMay 30	Int. 1.5
itish Home			
Stores,Apr. 30	Final 3.473	*P & O May 2	Final 3.542
tish SugarMay 3	Int. 1.85	Prop. of Hay's	
ixton		WherlMay 25	Int. 1,564
EstateMay 8	Fins) 0.662	Ranks Hovis	
sckhouse May 23	Int. 1.8	McDougallMay 16	Int. 1.452
awn .		*Ransome Himn.	
ShipleyJune 8	Final 5,264	PollardMay 22	int. 1,44
nzi Puto	· III.a. 40004	Reed Intl May 31	Final 2.0445
and Paper May 9	Final 2.045	Sainsb'y (J.) May 3	Final 3.987
p. and		"Scottish_Nat.	
'nties PropMay 26	Fin.2.1105 fcst	TrustMay 22	Int. 1.4
ter Ryder May 17	Final 14.70812	Sears HidgsMay 4	Final 2.58
alite and	- (iiin 14-1041E	Smurfitt	
ChemicalJune 1	Final 1.8435	_ (Jefferson)Apr. 27	Final 4.867
ats PatonsMay 16	Final 2,0972	Tollemache :	_
urtauldsMey 25	Final 5.081	& CobboldMay 30	Final nil 🗼
benhamsMay 19	Final 3,7628	Trafalgar	
port .,May 17	Final 2,67115	House., May 16	Int. 2.83
stern		*Trust Union May 23	Final 2.0
ProduceMay 24	Final 3.03	UBMune 1	Final 2.5142
ropean		UDSMay 4	Finel 3.0
FarriesMay 8	Final 1.8	United`_	
nch Kier May 15	Final 1	ScientificMay 9	Int. 3.0
ZEBOT	•	Vaux	4 405
Withy_,May 2	Sec. Int. 4.671	BrewerlesMay 12	Int. 1.485
m		*Wadham	Final 1.21
(Matthew)May 9	Final 5.322	StringerMay 1	Int. 1.87
th (C. E.)May 18	Final 3.4291	WhesosMay 19	Final 2.7886
pworth (J.) Apr. 21	Int. 0,72	WhitbreadMay 17	Fixe: 27000
ernational	P-41 4 019	*Without (George)May 3	Final 0:6810
PauntMay 25	Final 1.612	(George)may 5	1 1112. 2300 10

#### BASE LENDING RATES

Vivrhmptn. & Dudley Bws.,,June 1 int. 2.0

LB.N. Bank 14 70	MITTERIOR DELLE
Illied Irish Banks Ltd. 12 %	■ Hill Samuel
mro Bank	C. Hoare & Co
merican Express Bk. 12 %	Julian S. Hodge
P Bank Ltd 12 %	Hongkong & Shanghai
lenry Ansbacher 12 %	Industrial Bk. of Scot.
ssociates Cap. Corp. 13 %	Keyser Ullmann
kanco de Bilbao 12 %	Knowsley & Co. Ltd
ank of Credit & Crace. 12 %	Lloyds Bank
lank of Cyprus 12 %	London Mercantile
sank of N.S.W 12 %	Edward Manson & Co.
lanque Belge Ltd 12 %	Midland Bank
sanque du Rhone et de	<del></del>
la Tamise S.A 121%	■ Samuel Montagu
arclays Bank 12 %	■ Morgan Grenfell
remar Holdings Ltd. 13 %	National Westminster
rit. Bank of Mid. East 12 %	Norwich General Trust
	P. S. Refson & Co
rown Shipley 12 %	
anada Perm't Trust 12 %	Rossminster
ayzer Ltd 12 %	Schlesinger Limited
edar Holdings 12 %	E. S. Schwab
harterhouse Japhet 12 %	Security Trust Co. Ltd.
houlartons 12 %	Shenley Trust
E. Coates 12-%	Standard Chartered
consolidated Credits 13 %	Trade Dev. Bank
co-operative Bank*12 %	Trustee Coringe Pont
orinthian Secs 12 %	Trustee Savings Bank
redit Lyonnais 12 %	Twentieth Century Bk.
he Cyprus Popular Bk 12 %	United Bank of Kuwait
uncan Lawrie 12 %	Whiteaway Laidlaw
UIICAU LAWIN 12 70	Williams & Glyn's
agil Trust 12 %	Yorkshire Bank
nglish Transcont 12 %	Mambers of the Accepting
irst Nat. Fin. Corp 15 %	Committee.
irst Nat. Secs. Ltd 14 %	* 7-day deposits \$2%.
ntony Gibbs 12 %	deposits 94%.
reyhound Guaranty 12 %	† 7-day deposits on sums of and under 92%, up to

#### RECENT ISSUES EQUITIES ...

1590e Price pt	Amount Paid Up	Latest Renunc. Date	19 High	79 Low	Stock		Closing Price pt	+ or 	Div. P. Or Amount	Times	Gross Yield	3. P.
\$95 65	F.P. F.P. F.P.	20/2	194 571 <sub>9</sub> 181 170	421 <sub>2</sub>	HAppi. Compu Bank Bridge 1 Caledonian Hk Hunting Assoc	Op Iga	52 181	+ 10 21 <sub>2</sub>	0.7 37.8	J	6.0 -	_

#### FIXED INTEREST STOCKS

Prior	Am'unt	Renumo Date	<u></u>	79 Low	Stock -	Closing Price &	+ or
995 1100 20p 96 4 721g 100	£60 F.P	4/5 11/5 23/5 27/7	531, 106p 14pm 55 108 108p 79	523 103p 1pm 591 99 105p 701 13cm	Cleveland (County of) Var. Rate 1984 Eng. Assoc. Sterling Fd. Part. Red. Pri. Grant (James) 10345 Pref. How'rd Wyndh'm 95 Cnv. Curn. Red. Pri. IGFC 12125 Uns En 1992 Loc Valley Water 95 Red. Pri. 1985 Lyles (S.) 115 Curn. Pref MEPO 6125 Conv. Uns. Ln. 1996-2000 Stough Ests. 85 Cnv. 1991-94 Tricoville 10145 Pref	831 <sub>8</sub> 105 p 11 pm 65 102 105 p	+14 -1

#### "RIGHTS" OFFERS

issue Price	E C	Reni	mc.	1979		Stock	문문학	+ 01
₽₽	₹2	•		High	Low	3	을	_
200c	Nii F.P.	27/4	18/5	10pm 201 <sub>2</sub>		Abercom Invs	7pm	-2 -3
185	NU	( (		47pm	37pm	Beatson Clark	46pm	ĮΞi
115 20 20	F.P.	80/3			147 212pm	Brammer (H.)Brent Chemicals	159 212 pm	 
20 261a	F.P.	27/4	1/6	99 5pm	92	Crest Nicholson	98	i—1
33	F.P.	22/3	4/5	484	38	Hirst & Mallinson	45	-1
188 5p	F.P.	25/5	18/5	7pm	3pm	Johnson Matthey	4pm	<u>;</u>
34 44	F.P.	24/4	12/6 31/5		49 pm	Norfolk Cap. Hotels	54.	i— i
34 44 20	F.P.	27/4	15/6		2712	Single Holdings	3112	

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. a Foracas dividend: cover based on previous year's aamings. F Dividend and yield based on prospectus or other official estimates for 1978. Q Gross. T Figures assumed

CLIVE INVESTMENTS LIMITED 

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. 45 Cornhill, London, EC3V 3PB. Tel.: 01-623 6314. Index Guide as at April 26, 1979 

I.G. Index Limited 01-551 3466. 29 Lamont Road, London, S.W10 OHS. 1. Tax-free trading on commodity futures.

2. The commodity futures market for the smaller investor.

#### Public Works Loan Board rates Effective from April 28

### CURRENCIES, MONEY and GOLD Inflation and the EMS GOLD

although of all inflation indicators none was awaited with more interest than the figures

A rise of 1 per cent in U.S. consumer pirces was in line with the expectations of the foreign exchange market, and the dollar showed little reaction to the

announcement. Japan's March consumer prices rose 0.8 per cent, giving a year on year increase of 2.3 per cent, against 2.4 per cent in February. Figures issued by the EEC on Friday, indicated a 12-month rise

### CURRENCY RATES

Sterling	April 26	Bank rate		Currency Unit
UR 5	Sterling	12		
Canadian 8. 114 1.45931 1.52458 Austria Sch. 374 17.7439 18.5572 Belgian F. 6 28.3706 40.1283 Danish K. 8 6.73845 7.04679 Danish K. 8 6.73845 7.04679 Caller 512 2.61630 2.73590 Feanch Fr. 912 5.55150 5.80520 Lia 1012 1078.54 1127.50 Yen 444 277.702 2890.795 Maryn. K. 7 6.58092 6.88289 Spanish Pes. 8 86.4347 90.3587 Spatish Kr. 612 5.60444 5.86188	OR X	910	1,27568	
Adstria Sch. 334 17.7439 18.5572  Belsiam F. 6 28.3706 40.1283  Dinark 8 6.73845 7.04879  Dinark 4 2.41411 2.52506  Gelder 617 2.51530 2.73590  Franch Fr. 912 5.55150 5.80520  Lia 1012 1078,54 1127.50  Ydr. 41 277.702 280.795  Mawgn. K. 7 6.58092 90.3587  Spatish Pes. 8 86.4347 90.3587  Spatish Fr. 612 5.60444 5.86188		1114	1.45931	
Selejan F.   6   58,3705   40.1285			17.7439	
Dentsh K. 8 6.73845 7.04879 D mark 4 2.41411 2.52505 GBleer 512 2.51530 2.73590 Feach Fr. 912 5.55150 5.80520 Lia 1012 1078.54 1127.50 Ye 277.702 280.795 Margn. K. 7 6.58092 6.88289 Spanish Pes. 8 86.4347 90.3587 Speciesh Kr. 612 5.60444 5.86188			38.3706.	40.1283
D mark	Defectors of			7.04679
Gilder 51s 2.61630 2.73590 Fignich Fr. 912 5.55150 5.80520 Life 1012 1078.54 1127.50 Yel 277.702 290.795 Margn. K. 7 6.58092 9.68289 Spanish Pos. 8 86.4347 90.3587 Spatish Kr. 612 5.60444 5.86188	D toward			2.52506
Franch Fr. 912 5.35150 6.80520 Life 1012 1078.54 1127.50 Ydr. 41 277.702 280.795 Mayan K. 7 6.58092 90.3587 Spanish Pes. 8 86.4347 90.3587 Spanish Fr. 612 5.60444 5.861.88				2.73590
Lia 10.5 1078.54 1127.50 Yes 41 277.702 280.795 Mingn. K 7 828289 Spanish Pes. 8 86.4347 90.3587 Spanish Pes. 612 5.60444 5.86188				5.80520
Yen	Line			1127.50
Margn. K	VE			290.795
Spanish Pes. 8   86.4347   90.3587 Special Kr. 61 <sub>2</sub>   5.60444   5.86166				6.88289
Seedish Kr 612 5,60444 5.86188				90.3587
				5.86188
Swiss France: 1   2.18692   2.28847	Swiss Frame		2.18692	2.28847

The U.S. was not the only in the Common Market consumer in Paris, where money market major country country to publish prices of S.4 per cent, the highest rates were unchanged for several for 15 months.

> The rise in consumer prices in Belgium and Denmark made an interesting comparison. April increase of 0.24 per cent in Belgium confirmed the steadier trend seen lately in inflation, which is now running at an annual rate of 3.8 per cent, compared with 3.7 per cent in March. Denmark's consumer March. price index for March rose 0.8 per cent, to give an annual inflation rate of 7 per cent. These figures had little influence on foreign exchange trading, where the Belgium franc remained anchored at the bottom of the European Monetary System,

System, General, Belgium's Societe largest bank, said last week that it expects healthy economic growth in the country this year, and suggested that interest rates need not be tightened excessively, despite the weakness of

the Belgian franc. The relative strengths of the franc and Danish krone are very much a reflection of Copenrates than Brussels. Interest rates were steady in

Europe last week, particularly THE DOLLAR SPOT AND FORWARD

### OTHER MARKETS

only the Belgian franc.

Amsterdam

during May

days, before call mones sharply to 74 per cent on Friday.

per cent in March, pointing to an annual inflation rate of 10.5

Dutch interest rates may come

as technical shortages

market

under pressure in the next few

work their way through the

The French franc was around the middle of the EMS, while

the gullder vied with the D-mark

money

	Apr. 27	£	8		Note Rates
	Argentina Peso	2461-2481	1196-1207	Austria	28-29
	Australia Dollar	1.8600-1.8640	0.9050-0.9070	Belgium	52,75-53,35
	Brazil .Cruzeiro	48.24-49.24	23.47-23.96	Denmark	10.834-10.894
	Finland Markka	8,20-8.21	3.9900-3.9950	France	8.91-8,94
	Greek Drachma	74.794-76.610		Germany	3.861-3.894
	Hong Kong Dollar	10.41-10.47	\$.0655-5.0950	Italy	1,710-1,725
	Iran Rial	; 144-159 ;		Japan	
	Kuwait Dinar (KD	0.564-0.574	0.2784-0.2787	Netherlands	4.19 <del>j 4</del> .22 <u>i</u>
•	Luxembourg Frc.	61.85-61-95	30.10-30-12	Norway	10.57-10.63
	Maiavsia Dollar	: <b>4.5</b> 650-4-5750:	2.2215-2.2263	Portugal	984-102
	New Zealand Dir.		0.9565-0.9595	Spain	135.05-137.80
	Saudi Arab, Riyal			Switzerland	3.503-3.532
	Singapore Dollar.	4.52-4.5510	2.1995-2.2050	United States	2.0540-2.0590
	Sth. African Rand	1.7825-1.7425	0.8430-0.8480	Yugoslavia	4212-44

# THE POUND SPOT AND FORWARD

April 27	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	20450-20585	2.0545-20565	0.25-0.15c pm		0.82-0.72 pm	
Canada	2.3380-2.3505	2.3465-2.3475	0.30-0.20c pm		0.70-0.60 pm	
Nathind.	4.19 4.23	4.214.224	2-1c pm		51,-41, pm	4.50
Belgium	F1.60-62.00	61.85-61.95	30-20c pm		72-62 pm	4.32
Denmark	10.83-10.89	10.88-10.87	212-112 ore pm		43-24 pm	1.01
	1.0160-1.0215	1.0193-1.0203	17-27p dis	-2.58	60-70 dis	-2.48
W. Ger.	3.861, 3.901,	3.883-3.893	3-2of pm	7.71	75-65 pm	6.81
Portugal	99.30-100.90	100.55-100.85	50-110c dia	-9.53	140-240 dis	-7.55
Spain	135.30-139.10	135.60-135.70	10c pm-50c-dis	-2.65	40-140 dis	-2.65
itsiy	1,726-1,739	1.737-1.738	1 lire pm-lire dis	DBI	112 DW-12 DW	0.11
Norway	10.58-10.61	10.591-10.601	3½-1½ ore pm		814-614 pm	2.73
France	8.90-8.96	8.9474-8.9574	21 <sub>2</sub> -11 <sub>2</sub> c pm		7-6 pm	2.91
Sweden	9.00-9.05	9.03%-9.04%	2 ora pm-par	1.33	61-41- pm	2,43
	#48-455	451-452	3.05-2.65y om		8.05-7.85 pm	6.96
Japan	28.53-28.73	28.55-28.60	18-8 gro pm		50-40 pm	6.30
Austria		3.52-3.53	34-2% c pm		97-87 pm	10.21
Switz. 🗼	3.50-, 3.53-,	ias maumaihla	francs Financia	1 franc	R3.10.63.20	
. 156	igrum rate is	tot Collections	1.18c pm; 12-mo	nth 2	20-2 10c pm.	

### EXCHANGE CROSS RATES

EXCHANGE C			Deutscham'k	Japan'sa Yen	FrenchFranc	Swiss Franc	Dutch Gulld'r	Italian Lira	Canada Dollar	Belgian Franc
Apr. 27	PoundSterling	O'S' DOUBL					4,220	1738	2.347	61.90
Pound Starling	0.487	2.056	3.893 1.894	451.5 219.7	8.948 4.354	3,5 <b>2</b> 5 1,715	2.054	845.5	1.142	30,12
U.S. Dollar	1.467	<del></del>		115.C	2 299	0,905	1,084	446.4	0.608	15.90
Deutschemark	0.257	0.528 4.551	8.621	1000.	19.82	7.807	9.34?	3848.	5,198	137.1
Japanese Yan 1,000 -	2.215		- <del></del> -	504.6	10.	3,940	4.716	1942.	2.623	69.18
French Franc 10	1.118	2.297 0.583	4.350 1.104	128.1	2.538	1.	1.197	492.9	0,666	17,56
Swiss Franc	0.284				2.120	0.835	1.	417.7	0.556	14.57
Dutch Guilder	0.237	0.487 1.185	0.922 2.240	107.0 -259.9	5.150	2.029	2.429	1000.	1,351	. 35.63
italian Lira 1,000	0.576	1.100			7:010	1,502	1.798	740.3	1.	26.37
Canadian Dollar	0.426 1.616	0.876 3.320	1.559 6.268	192.4 729.4	3.812 14.45	5.695	5.817	2807.	3.792	100.

### LONDON MONEY RATES

Apr. 27	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth- negotiable bonds	House	Сотпрапу		Treasury ·	Eligible Bank Bills 4	Fine Trade Bills Ø
Overnight	12 & 11 % 11 % 11 % 11 % 11 % 11 % 11 % 11 % 10 % 10 % 10 %	5-12 <sup>1</sup> 2 12 <sup>1</sup> 0-12 <sup>1</sup> 4 12 <sup>1</sup> 0-12 <sup>1</sup> 6 11 <sup>1</sup> 10-11 <sup>1</sup> 6 11 <sup>1</sup> 10-11 <sup>1</sup> 6 11 <sup>1</sup> 11-11 <sup>1</sup> 6 11 <sup>1</sup> 11-11 <sup>1</sup> 6 11 <sup>1</sup> 11-11 <sup>1</sup> 6	113g-116g 1114-113g	124 125 115 111 <sub>2</sub> 11 11 <sub>16</sub> 111 <sub>8</sub>	1212 1212 1212 1234 1284 12 1154 1153	1214	1112-1158 1114-1114 — —	<u> </u>	113-114 113-114 103-103-	

rates nominally three years 115-114 per cent; four years 114-12 per cent; four-month trade bit table are buying rates for prime paper. Buying rates for four-month bank bills 115-115 per cent; four-month trade bit table are buying rates for prime paper.
three-month 11%-11% per cent; one-month trade bills 12% per cent; two-month 11%-11% per cent from April 1, 1979, Clearing three-month trade bills 12% per cent tram April 1, 1979, Clearing 12% per cent tram April 1, 1979, Clearing 12% per cent tram 12% per cent tra

-	MONEY RATES	
,	NEW YORK	
<b></b>	Prime Rate	11.25-11.7 10.0625 9.07 9.33
	GERMANY Discount Rate Overnight Rate One month Three months	4 5.05 5.40 5.70 6.0
a in is	FRANCE Discount Rate Overnight Rate One month Three months Six months	9.5 7.125 6.8125 7 7.3125
τ. <b>g</b> Ł	Discount Rate	5.125

### The facts behind the figures

### The Chairman, Peter Robinson, comments:

Trading Profits: An increase for the year of 19% and 74% over the last two

Dividend: Recommended increase to 3.5p (1977 — 3.18p).

Prospects: The 1978 results show the underlying strength of the Corporation. We have the people and the skill to ensure a successful future.

	1978 1977 (Figures in £'000)				
Sales	174,084	154,863			
Trading Profits	·				
Printing	5,005	3,159			
Packaging	2,516	2,613			
Publishing	3,611	3,593			
Profits before tax and extraordinary items	7,125	5,759			
Earnings per ordinary share	13.2p	10.5p			
Net tangible assets per ordinary share	q101p	109p			

Copies of the Annual Report and Accounts and a new brochure about the Corporation can be obtained from the Secretary, The British Printing Corporation Ltd., Print House, 44 Great Queen Street, London WC2B 5AS.





But rather, by agreeing to claims immediately. On the spot.

Now, it's not every day you'll find us popping in on policy holders, with a view to popping a cheque in the post.

After all, like any other insurance company, every claim we deal with involves certain formalities.

There are details to be noted down. Policies to be checked Within two working days we had our own team of claims inspectors out and about on the waterways, personally totting up the cost of repairs.

In all, we paid out £115,000 from just one branch, to more than 400 policy holders.

So they could start ASSURANCE rebuilding their lives, while others were still getting estimates.

We won't make a drama out of a crisis.

ILL ST

SU

YYORK

YORK

The state of the s

A POST OF THE POST

TO THE PROPERTY OF THE PROPERT

The second secon

200

### WORLD STOCK MARKETS

### BIA disquiet at Law Tom Frost heads **Commission report**

BY OUR INSURANCE CORRESPONDENT

ALMOST A YEAR AGO the is no reason to believe that

Pader No. 73 on "Insurance and understood and yet to sug-law Non-Disclosure and Breach of Warranty" was published are necessary in the virtually and interested parties were asked to comment within about two and a half months. The same particularly when the same p two and a half months—an un-fairly short period and about a third of the time the commission had taken to formulate its: provisional views for the reform of our insurance laws.

Despite the time limit, all the main insurance bodies, the British Insurance, Association, Lioyd's Underwriters and the British Insurance Brokers' Association got their views to the Law Commission before Easter. The BIA has now released its general commnts on the commission's approach, as distinct from its detailed criticism of the commission's provisional proposals.

Speaking on behalf of its member companies, which transact about four-fifths of Britain's world-wide insurance business. world-wide insurance oursidess, which this year is likely to top fi5m, the BIA has expressed disappointment at both the content and tone of the working paper and in effect has asked the Law Commissioners to go back to square one.

Clearly the latter course is insurers point to the unthinkable. It would create absurdity—my word, not theirs tenormous internal legal transi—either of Britain trying to tional problems and enormous administrative problems as well as increasing costs for both the industry and the insuring public. Moreover, it would play havoc with Britain's pre-eminent world-wide insurance trading position: internationally, neither insurers nor policyholders in Brusse's would be able to work from one year to the next with the expectation of continuity of legal principle, which is of the essence of insurance transactions. Without doubt Britain's the unusual course of publish-standing in theinsurance world ing a further working paper of market would be diminished, perhaps irretrievably.

In its working paper the law ommission conceded that there its ultimate final report.

Lord Chancellor asked the Law present law and practice for commission to look at certain aspects of insurance law particularly in the light of the fifth tory. The BIA takes that conaspects of insurance law "particularly in the light of the fifth
report of the Law Reform Committee "(1957) and the draft
EEC directive on the co-ordination of laws, and to make recommercial risks: it says. It is
Shortly after Christmas the sent law relating to MAT
Law Commission's Working business is perfectly satisfactory
Pager No. 73 on "Insurance and understood and ver

when the same persons are most likely arranging both MAT, fire and other commercial covers the same time. In its working paper the

commission concentrated on re-form of UK insurance law, which insurers assert works well and throws up an insignificant number of problems in practice; by contrast the com-mission quickly rejected the cross-Channel proposals con-tained in the draft EEC directive it was asked to examine.

It is there, and one may say quite rightly, that the BIA opens its attack, for the commission has got its priorities wrong. The main problem facing the British insurance market is not one of reforming. internal insurance law but of getting the best bargain on harmonisation of insurance law with the other eight EEC members. In short the commission has been looking inward when it ought to be looking outward.

stand alone against insurance law harmonisation, or of the British insurance industry having to implement some or all of the changes advocated by the commission and then within a year or two having to comply with further changes decreed

Perhaps the commission will now come down from the academic clouds, face the practical realities of Britain's negotiating position and even take second thoughts later in the summer before it proceeds to the drafting and publication of

### **National Bank of North America**

Mr. Tom Frost has been appointed a director and president of the NATIONAL BANK OF NORTH AMERICA a subsidiary of National West-minster Bank. Mr. Frost joined National Westminster in 1950 and was assistant regional director, south-east region, Domestic Banking Division, before supervising the applications to the U.S. authorities which led to NatWest's recent acquisition of NBNA. Mr. Alex Dibbs, a deputy chairman of National Westminster Bank, and Mr. Dennis Bunyan, senior executive vice-president, executive office North America, National Westminster Bank, have also been appointed directors of NBNA.

Mr. Michael Pilch, a director of Noble Lowndes and Partners, of Noble Lowndes and Partners, has taken over from Mr. Ken Smith as chairman of the NATIONAL ASSOCIATION OF PENSION FUNDS. Mr. Smith becomes vice-chairman. Mr. George Dennis, past-chairman of the investment protection committee, and Mr. Hugh Jenkins, that committee's present chairman, become ex-officio vice-chairmen. chairmen.

Mr. R. M. A. Jones, has been appointed to the Board of PYE HOLDINGS. Mr. Jones returned to Pye of Cambridge, a subsidiary on April 17, as acting managing director when Sir John Stewart-Clark relinquished the post on his adoption as a candidate for election to the Enropean Parliament. Mr. Jones first joined Pye in 1933 and since his retirement in July. 1978 has his retirement in July, 1978 has remained a consultant to Pye of

Mr. Frank L. Strevens has been appointed vice-president and general manager of CANADA LIFE ASSURANCE COMPANY in the UK and Ireland. He has been involved in the management of life assurance marketing and administration since he joined the company in Toronto, Canada, in 1957.

Mr. Dennis Weatherstone has been elected chairman of the been elected chairman of the newly formed investment bank
MORGAN GUARANTY LTD.
Mr. Weatherstone, who was executive vice-president and treasurer of Morgan Guaranty
Trust Company from April 1977
to December 1978; is a vice-



Mr.-Tom Frost

chairman of the Board at J. P. chairman of the Board at J. P. Morgan and Co. Incorporated, the bank holding company, and of Morgan Guaranty Trust Company of New York. The new concern is a London-based unit and a subsidiary of Morgan Guaranty International Finance Corporation.

Mr. W. B. N. Kington, has retired as a director of BORDER BREWERIES (WREXHAM).

		· ·	
	TEL AVIV		
	. •	Prices	Change 4
	Company	Apr. 29 1979	
	Banking, Insurance		1
	and Fmance	341	+ 3.0
	Bank Leumi le Israel IDB Bankholding	420	- 14.0
	Bank Haposlim Br	588	+ 4.0
	Union Bk. of largel Br.	309	- 9.0
	United Mizrahi Bank	226	÷ 2.0
	Hassner Insurance Br.	352	- 31.0 - 14.0
	General Mort. Bank Br.	236	~ 14.0
	"Tefahot" Isri. Mt. Bk.	296	- 4D.0
	Land Development		
•	Africa (Statt Inv. IIII)	947	- 21.0
Ļ	'Israel Land Devpt. Br.	189	- 16.0 - 5.0
ŀ	Property and Building	326	- 5.0
٠	Public Utility		05.0
ĺ	Israel Electric Cpm,	260	- 25.0
	Investment Companies	657	- 70
Ĺ	Bank Leumi Invest	353 463	- 7.0
,	"Clai" Ismel Invest	293	- 12 0 - 2.0
•	Discount Invest	-33	_ 2.0
	Commercial and		•
	Industrial	1,430	+ 5.0
5	Alfrance Tire & Rubber	217	- 16.0
•	Elco Br	311	+ 12.0
Ė	Argamen Textil Br " Ata " Textile "8"	179	- 15.0
•	AM Textile 5	707	

High | Low H me B nds 85.69 84.01 84.14 84.24 84.15 84.12 85.80 Transport. 230,88 231.84 232.81 252.62 231.11251.01 7 253.25 266.78 Transport. 230,88 251,84 282.51 282.62 231.11.25 11.10(4) (27/2) (7(2.66) (8/7/82)
Utilities ..... 101,18 101,78 102.20 102.27 102.33 102.74 104.54 93.10 168,52 10.58 (8/4) (2/1) (20/4/89) (22/4/42 Fracting vol 25,878 52,520 51,790 55,878 25.880 28,860 . — Day's high 860.79 low 852.39

Indices

· Ind. div. yield %		` Apı	. 20	Apr.	18	Apr. 9	Ye	Year ago (appro)		
		5.78		5.68		5.65		5.75		
STANDARD	AND PO	ORS								
		. !	,	. }	. 1	. 1	197	79	'SinceC'	mpil't'r
	April :	Apr. ! 25	Apr. 25	Apr.	Apr.	Apr. 20	High	Low	High	Low
indust'is	118.82	114.06	114.57	114.18	113.36	112,90	119,68	107,0	134.64	5,55 (30/6/32
(Composite		102.01	102.50	102.20	101.57	101.25	105,34 (10/4)	.95.15		4,40
	•	 :	, · Áp	ril 25 .	, Apr.	18	April 1	ĮĮ · ĮYe	ar ego (	approx)
Ind. div. yiel	d %	:::	5	.08	5,1	.0	5.08		5,0	2
Ind. P/E Rai	lo		; B	71	8,6	ic l	8.67		9,1	8
Long Gov. E	ond Yi	eld.	-	3,11	9,0	)4	9.06	;	8,3	9 <u>`</u>

CONTREAL /	<del> </del>		1 19	979
LUBIAEAE	Apr. Ap 27 2		. High	LOW
<del>-</del> .			<del></del>	070 10 (0.1)
industrial Combined -	247,88 241 251,81, 25	8.18, 247.56 245.8 1.21, 250.80 249.4	89 950,91 (27/5) 40 951,21 (6/4)	219-19 (2/1) 225,80 (2/1)
ORONTO Composite	1482.5 14	89.4 1480.6 1489	.5 1482,5 (27/4)	1315.8 (2/1)
OHANNESBURG Gold Industrial		52.0 251.7 249 18.5 317.5 516	1.9 290.7 (7/2) 5.9 525.0 (5/4)	228.4 (17/4) 270.5 (2/1)
Apr. Pro	: 1979 Is High	1979 Low		e. 1979 1979 us High Low
Australia (气) 572.47 568.	44 · 597.68 · (19/3) ;	645.72 Spain	(d) 100.75 180.	74 : 111.36   93.03 11/12)   (8/8)
Balgium (I) 107.08 . 108	76 107.09	98.80 Swede	un (e) 355.48 354.	.68   401.34   353.4
Denmark (** 93.15   96	.61 (24/47) : .61 (20/4) :	(8/1) 88.32 <b>Switze</b> (8/1)	rid(f) 524.4 52	2.4 324.4 294.6 (27/4) (3/1
France (††) 50.8 8	0.8 81.4 (24/4)	71.6	tandards and	
Germany (##) 784.9 78	4.5 839.6 (16/1)	774.2 Toront	on 1975). † E	the last name excluding bond
	8.8 86.9 (24/1)	75.8 ‡ 400 (21/3) Utilitie	s. 40 Finance a	0 Industrials, nd 20 Transpo ,   Belgian
Hong Kong 580.84 525	1.00 568.70 (5/3)	(9/1) 31/12/	ney All Ordinary 63. Copenha	gen SE 1/1/
italy (ji) 74.35 74	.26 78.46	68 58 tt Par (2/1) Dec.	is Bourse 1961. 1953. §§ Amst	erdam industr
Japan 14) 451.46 449	(26/5) 1.25 462.97 (31/1)	435.22 1970.	19 Hang Seng	: Bank 31/7/0
Singapore (4) 582.16 58		345.34 # 10K)		d d Madrid

Apr. Apr. April Apr. High | Low

57,4057,5257,8057.62 58,18 53,88

### **EUROPE**

High | Low

NEW YORK -DOW JONES

	_	-		BRUSSELS/LU	XEMBOL	JRĞ		SPAIN F			TOKYO ¶				<b>_</b>
AMSTERDAM	Price + c	r Div.	Yjd.	Apr. 27	Price i	Div	. iYld. l	Asland		+ 1	Apr. 27	Prices Yen	+ 01	2	%
Apr. 27	Fls					- Ne	<u> </u>	Banco Central	316 284	. <del>+</del> 6	Asahi Glass	1 === 1	-1,   +1,	14 12	2. 1.
Ahold (FL20) Akzo (Fl,20)	194.0 at -1. 30.5 +0.			Arbed Beksert 'B''	2,575	+30	5.0	B. Granada (1,000) .	134	_	Casio	810	÷17	25	1.
Ala'm Bk (Fl 100)	377.0 -0.		6.6	CRD Cament.	1.250	100		Banco Hispano	274	_	Chinon	583		20	ī
Amey (F1.10)	98.1 +Q.	1 50	5.1	Cookerill	500 -	+8 <u> </u>		Bco. 1. Cat. (1,000)	158	- 3	j Fuji Photo		4	15	ī
Amrob'k (FLSD).	74.9 82.7± -0.	(25) R 36	6.3	EBES	2,400	+10 177 +20 455	7.4	Banco Madrid	208	- 2	Hitachi	i 249 :	-4	12	2
Bijenkorf BokaW'stm(FI 18	119.4	#80	7.1	Electrobell Fabrique Nat	3 R45	+20 +31 +35 100		B. Santander (250)	307	- 3	Honda Motors	[ <del>594</del> ]	+19	1B 35	1
Buhrm' Tetter'.	69.B D	4 26	7.4	GR Inno Bm	2.700	+20 170	6.3	Bco. Urquijo (1,000)	269	<b>– 2</b>	House Food	918	+14	12	i
Fixev r NDU(F)20		hs40		Gevaert	. 1,384 .	8t		Banco Vizcaya		_	to Yokado		7.7	30	١ī
Ennia N.V. B'rer	145.5 71.5	A3/è	5.2 4.9	GRI (Brux Li	. LBIU .	+20 ; 90 -65 170		Вапсо Zагадохало		_	l Jaces	. 580	-4	13	1
EurComTst(Fi10 Gist-BrockFI0			5.6	Hoboken		-65 170 +10 14		Dragados		_	1 J.A(L.,,,,,,,,,,,,,,,,,,,,,	. DOG. 3	Į	=	Ì 5
Heineken (F)25)			3.9	Kredietbank				Espanola Zinc		—	Kansai Elect Pw			10 18	إ
Hoog'ns (Pl.20)	32.0'+2	I	ı — !	La Rovaie Beige	6.360	_10 ±32		Facsa (1,000)			Komatsu		—⊥ i—1	15	. 5
HunterD.(Fl.100	23.5 + 0	1 1.2	5.1	Pan Holdings.~	2,620	\$2.	55¦ 3.0	Gal. Preciados		- 3	Kubota Kyoto-Ceramic		20	35	١â
K.L.M. (Fi. 100)	114.0-0		2.6 9.6	Petrofina	4,470	180		Hidrola			Matsushita Ind		+11	20	1:
nt. Muller(Fl.20	39 -0 114.7+0		4.8	Soc Gen Banque	3,280	+30 220 -15 140		Iberduero		- 2	Mitsubishi Bani	334	<b>_2</b>	10	1
Nat.Ned InsFi10 NedCr'dBkFi.20				Soc. Gen. Belge	2,040 2,650	+40 21	5 5.9	Petroliber		<b>– 2</b>	Mitsubishi He V		-2	12 13	1
MARKER SECTION	210.01+2	24	5.7	Sofina	2.650		10, 7.9	Petroleas		-	Mitsubishi Corr		+12	14	1
Oce (F1.20)	]168.2±-0	.3   38	1 4.5	Traction Elect.	2.975	_10  17		Smace		<b>-</b> .	Mitsukoshi		+15	20	1 :
OGEM (FI.10)	.  21.3 <sub> </sub> —0	.6   24	11.5	UCB	. 1,368	-12   - -10   5	6.1	Sogefisa		<u> </u>	Nippon Denso	. 1,600	+20	15	H
Van Ommeren.		3! -	=	Un Min. (1/10)		-10   5	9 6.1	Telefonica		- 2	NipponShimpa	n; <b>680</b>	+9	12 16	1
Pakhoed (FL20)	46.7 —0 26 +0	1 18	6.5	Vielle M'ntagn	1,190			Union Elec	. 66.5	0.50	Nissan Motors	725	+5	48	1
Philips (Fl. 10) RinSchVer(Fl 191	uf 90a  1	: —	1 <u>-</u>								Pioneer Sanyo Elect	330	l+3	12	1
Robeco (FI.50).	161.54-0	.6 '26.4	8.3	COPENHAGI	N ÷						Sekisui Prefab	791	+14	30	1
Rolinco (FL50).	152.0 -	.5 5	L —		- Brice	+ or   D	v. iYid.	STOCKHOLM		-	Shiseido	1,080	+10	20	ţ
Rorento (FI,50).	121.9 —0 139.2 +0	. z .EZ 7	9.8	Apr. 27	Kroner	<u> </u>	8 %	J. OCIAIIO		•	Sony	2,170	<b>—10</b>	40 11	
Royal Dutch F120	1 555 /	20	7.7			¦}`	_¦			T Div. Yid	Taisho Marine. Takeda Chem-	) 240 ! 587	5 +9	1 15	1
Slavenburg Tokyo Pac Hidsi		'50.\$	O.5		ا مممد آ	+14 21	2 7.6	Apr. 27 Kro	nor -	Kr. %	TDK	1.980	17	1	
Unilever (Fl.20)	.) 129.8/+7		6.6	Andelsbanken.		+ 4 2	2 9.6	\ <del></del> ;~	—: <del>—</del> -		-		-1	1 10	ı,
Viking Res	_ 51.7	\$0.2	이 오.호	Danske Bank East Asiatic Co		L 4	0 7.5		82  -4	6 3			2	j 11	
Volker Stevin.			6.B	Finansbanken.	140	1	6 11.4		26   65.5	` ·	TokyoElect Por	W 899	<u> -1</u>	8	
West.Utr. Hypol	0 99041	1 33	1 7.4	Bryggerier	295		2   4.1		55.5 92m/ + 1.		Tokyo Sanyo		+2	12	
VIENNA				For Papir	10712		_   2   8.8		57.5 +0.	5 !	Toray		- <del>5</del>	io	
	<del></del> _		. Yld.	Handelsbank.			2 5.3	Rofors 1	20	5 4.			∓10		
	Price +		. Tic.	G Nthn H (Kr9			2 6.7	Cardo 1	62 <del>  </del> 6	5.75 5.			<u> </u>		
Apr. 27		—⊢—	+	Nord Rabel	B 1992x		8 4.0		50 -3 05 -1	[11   4.]  6.26   5.		KEG SOCI	,, 171 <b>22</b> ,	1 UR	
Creditanstalt.	336	10	2.9	Oliefabrik	12754	+14	_   _  3   9.3	FIEC 1000 D INC. 2	28 42	5.5 4	4		-		•
Perimooser	286 +	1	3.1	Privatbahk			2 8.6	FIGURES PARTY C.	<b>42</b> ⊢6	4   2.	HONG	KOM	œ		
Selecta		38		Provinsbank Soph.Berense	- 475	+14	2 2.9	Essente 1700/	1R '_2	1 413.	S   DONG		_		
Semperit	85		. 1 = -	i Spon. Berense	lo( TAI	1 1	6 E		50 8 4 1	n1 - 1 -					_

Novolnd'stries B 1993 8 4. Novolnd'stries B 1993 8 4. Oliefabrik 1275 + 14 13 9. Privatbahk 127 + 14 12 8. Provinsbank 141 + 14 12 8. Soph.Berensen 417 3 12 2.	Elec'lux'B'(Kr50 105 - 1 5.26 4.5 4.6 5 4.6 5 4.7 5 5 4.8 5 5 4.8 5 5 5 4.8 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	HONG KONG
Superfor	Handelsbanken 340 5 18.5 5.4 Marabou 148 9 5.1 Mo Och Domsio 76 2 2.50 3.0 Sanduk E Kriffig 212 5 (6.50 2.6	Hong Kong \$ Apr. 28 Apr. 19
Apr. 27 Price + or Div. Yie	i. S.K.F. B' Kr.50 58.0+0.5 4.5 6.5 Skand Enskilda 137 +1 9 7.6 7.6 137 141 9 7.6 141 141 141 141 141 141 141 141 141 14	Chang Kong 8.85 8.85 China Light & Power 20.90 21.00 China Light & Power 11.46 1.44 Cosmopolitan Prop. 11.46 1.44
BASF	Volve (Kr 50) 3 84.5 0.5 2 6.2	E. Asia Navigation
Commerzbank 202 - 0.5 35.80 Cont Count Gummi - 63.0 - 0.5 (26.19 L) Daimler-Benz 294.5 - 0.5 (26.58 6) Degussa 158 - 0.5 17.18 10	.8 Apr. 27 Frs. — 8 %.	Hg.Kg. Telephone
Deutsche Bank. 219.5 - 1 28.12 6 Dresdner Bank. 219.5 - 1 28.12 6 Dyckerhoffze*: 168.2 - 1.6 9.38 2 Gutehoffnung. 214.5 + 0.5 18.28 4 Hapag Lloyd. 146 - 0.5 15.6 5 Harpener. 146.5 + 1.1 18.78 Hoechst 46.5 + 0.5	4 BBC 'A'	Rubber Trust

		-	
BRAZIL			- Defin
Apr. 26	Price Cruz	+or C	Div. 3
Acesita Bancodo Brazil. Banco Itau PN Beigo Mil'eira OP Lojas Amer O.P. Petrobras PP Pirelli OP Souza Cruz OP. Unip PE ValeRioDoce PP Turnover Cr. 16 Source: F	1.31 1.70 2.30 1.48 1.21 2.15 5.40 1.78	-0.05 0 -0.02 0 -0.08 0 -0.08 0 -0.04 0 -0.02 0 -0.02 0	12,7.51 .37,28.24 .08,4.65 .20,8.40 .13,8.44 .16 .21,9.76 .25,4.62 .17,9.44
JOHANNESBU	JRG MINES	Band	'A news

m Mining (50c) 12.24 11.02 12.01	(Discount of 34%)
OTES: Oversess prices exclude \$ pre- plaing tax.  DM 50 denom. unless otherwise stat- stated. \$ Kr 100 denom. unless otherwise stated. \$ Yen 50 denom. unless nation. a Florins. b Schillings. c Car r acrip issue. c Per share. \$ Francs. 6 serip and/or rights issue. K After to serip and/or rights issue. K After to serip and/or rights issue. X After to serip and/or div. 2 Unofficial tradin ng. Asked. † Bid. \$ Traded. ‡ Sel nd. xc Ex serip issue. xe Ex all. A OTES: Oversess prices exclude \$ pre-	ad. A Pts 300 denom. unless of the wise stated. FFr 500 denom. unles otherwise stated. Frice at time of the state of the s
V 123. U.S.	

M A	LL		TR	E	ET.	eyê û.
NEW		RK				1 High
197	9 1	•	. :	AD:	<u>.                                    </u>	751 <sub>2</sub>
High	Low 301s	Abbott	tock	32	_	5418 3878 3012
241 <sub>2</sub>	15%	AM Int	emation:	e   25	ig.	3638. 3778
455a 2975			Life & Ca ducts Numiniu		_	161 <sub>8</sub> 295 <sub>8</sub>
38 % 66 193s	46:2	Alcoa.	Ludium	19	34	456g 3734
.171s	151 <sub>2</sub>   281 <sub>2</sub>	Allagh Allied	eny Powe Chemica	ET 15	18	138 178 151
251 <sub>2</sub> 34	29	Allis C	Stores haimers.		1 <sub>B</sub>	2359
545g 345	2512	Amera	da Hess. Airlines.		14	563g 413a
143 <sub>4</sub> 593: 3776	101 <sub>3</sub> 481 <sub>4</sub> 321 <sub>2</sub>	Amer.	Brands	57	1 <u>2</u> 7e	517a 295a 295a
381 <sub>2</sub> 273 <sub>8</sub>	35 245g	Amer. Amer	Can Cyanam Dist. Tel Elect. Po	id 26	وان	443լ 1441շ
27 25 321 <sub>R</sub>	. 25 211 <sub>8</sub> 281 <sub>8</sub>	Amer.	Elect. Po	W 21		246g 91g 663g
304 :	26 26	Amer.	Medica.	26	1 <u>g</u> 5g	3958
91; 41 ::	45g 36	Amer.	Motors. Nat. Rei	39	314 119 312	341 <sub>6</sub> 185
491 <sub>8</sub> 561 <sub>4</sub> 645 <sub>1</sub> 1	3978 31% 58	Amer.	Standan Stores. Tel. & Te	56 al: 58	314 33 <sub>4</sub>	294 384
345; 18	297g 15	Amet AMF	eķ	16	12 58	195 37
3612 1634	295a	AMP.	<b>X</b> . <del>.</del>	! 16	51 <u>9</u> 538 . 558	393 274
	2558 2318 1958	Anhe	or Hockir user Busc o	h. 2	57g Jáz	264 54
271 <u>-</u> 17:3	22:8 1458	A.S.A.	era Oil		514 514	52 331 133
2058 4478	136g 343g	Asaro	nd Oil	44	B&e 14;	195 271
65 g 323g	56 2812		Chfield Data Pro		53g 2 23a	181 361 325
125g - 25 553e	778 + 1878   464		Products		078 B18	411
26 235,	2218	Balt.	Gas Elec	1 2	21g 134	28 451
25/3 3712	241 <sub>8</sub>	Bank	America era Tr. N	3	612 612 078	195 381 85
315 <sub>4</sub> 437 <sub>8</sub> 237 <sub>8</sub>	241 <sub>2</sub> 357 <sub>8</sub> 211 <sub>8</sub>	Baxt	er Oil er Traver ric Food	10L 3	938 112	473 315
36aa	311 <sub>B</sub>	Bect	'n Dick'n: & Howell.	100 P	6 <i>5</i> g	113
171 <sub>2</sub> 401 <sub>8</sub> 41 <sub>4</sub>	3618	Benc	lix	3 : B	958 538 318	131 441
. 243a . 22		Blac	lehem Si k & Deck ng	er 2	13g 21g	30 10 27
521g 351 <sub>2</sub> 271 <sub>4</sub>	26 245e	Bole	Cascad en Warner	e •	414 6	18: 34
- 304 144	263 <sub>4</sub>	Borg	Warner iff Inti can A'	2	978 218 034	50 35 29
203g 44	: 333	Brist	bol Myers		Šig . IŠig	59 18
251g 19	. 161 <sub>8</sub>	Broc	Pet ADI kway Gi	256. J	71e 147g	29 30
155g 203 <sub>4</sub> 101 <sub>2</sub>	151g	- Dom	mie Fria		914	26 5 30
47 78	351 <sub>2</sub> 641 <sub>2</sub>	. I Danes	va Watch ington N ough		1612 704 5359	36 47
35 <sup>3</sup> 4 263	: 195	·ICen	pheil Sol adlan Pac	cifiC: 4	2619 1512	26
1576 28 123 <sub>5</sub>	25	Can	al Rando nation		2634 1134 17 <b>8</b> 8	20 18
1812	.145 55	Car	rier & Ge ter Hawk erpillar T	ract	55	29 29
551g	441	L CBS	mara Co	rBn.	4534 441g	28
161 175	147 153	:  Cen .  Ceri	trai & 5-1 rainteed.	M	147g 164 17	12 16 27
203 26	17 203	Ces	na Aircr	ter.	17 25½ 35	75 35 17
351 394 234	2   371	. iCha	re Manha mical Bk sebugh i	L NYI	3813 2218	3:
. <u>201</u>	261	- Cha	enia SVIII	eml	285 <sub>4</sub> 50	4: 3:
105 371	91	g - Chi Cin	cago Brid ysler Milacri	011	95g 361g	90
251 641	229 531	9 CH	c. Mileon corp es Servici c Investir	e	2278 674	20 30
161 311	8 17	2 Cle	valand Ci	iff	147s 281s 395a	7. 1 3.
45 19	38	امكاما	:aCola gate Pair lins Aikm	n	18 <sup>1</sup> 8 10 <sup>3</sup> 8	2
10: 28:	2 25	L Co	iumbla G	let	2814 2514	1 2
25 181		Se ICO	m.insCo.(	ot AM:	1714 3719	4 5
397 121 269	23	A C.	Wanzao:	ison	10% 237a	. 1
46 13	40 sa 10	i Co	mm. Sate mputerS nn Life Ir	ilite i	451g 12 3634	82 2
371 17	16 35 14 14		n##C		36 <sup>3</sup> 4 1578 2234	4
24: 24:	եց : 23 Ե. 22	4 Co	n. Edison naoi Food	12	2834 2812	2
40 23	18. 20	II VO	ngol Nat: nsumer P ntinental ntinental	ا.	20'4 2256	1
30 34 16 36	12   28 3. 14	54 C	ntinental	Oil	3412 1668	4
. 36 51	Se   31	58 I <u>L</u> O	ntrol Dat oper Indi		36 491 <sub>2</sub>	. §
				•		

Low	_Stock	Apr. 27	19 High	Low	Stock
524	Corning Glass CP_in t'rnation i	56	257g 774	23	Johns Manvill Johnson Johns
4858 2512	Crane Co	3076	315	255g	Johnson Cont
2454	Crane Co Crocker Nati Crown Zellerb'h.	295 <sub>1</sub>	3468 251g	29 <sup>3</sup> 4	Joy Manufact K. Mart Kaiser Alumin
3334	Cummins Engine	23.18	2114	1712.	Kaiser Alumin
_	Curtiss Wright	00	305g	2014	Kaiser Industr Kaiser Steel
2634 3818	Dana Dart Industries Deere Deitona Dentsply Int Det roit Edison	437s	1612 1638	1214	Kanen service
3468	Detrons	3334 125g	25 Le	21 4614	Kennecott Kerr McGse Kidde Walter Kimberley Cl
1518	Dentaply Int	16 ig	5648 3154	28	Kidde Walter
194	Diamond Shmrk	2238	ZZ	, 1838	Koppers Kraft
818 5010	Detroit Edison Diamond Shmrk DiGiorgio Corpn- Digital Equip	1008 544	481 <sub>2</sub> 42	35%	Kraft
20-1	DIRIGA (MEIL)	501	2214 503s	191 <sub>4</sub> 381 <sub>8</sub>	Kroger Co Leaseway Tra Levi Strauss
41 247 <sub>8</sub>	Dow Chemical Dravo Dresser Dupont	2618	2834	2412	Libby Ow. For
247g 355g	Drayo	4278	39	1 341 <sub>8</sub>	Liggett Group
12854	Dupont	.15159 . 241 <sub>2</sub>	55	4714	Lilly (Eli) Litton Indust
712	Eastern Airlines	.: 758 63	23 7a	183 <sub>4</sub>	Lockh ed Alf
343 <sub>4</sub>	Eagle Pitcher Eastern Airlines Eastman Kodak Eaton	.; 383 <sub>8</sub>	251g 1814	1616	Long Isl'nd L
274		· 334	2918 4914 17	2514	Louisiana Lai
1512	El Paso Nat. Gas	1812	17	1418	Lubrizol Lucky Stores
2658 3254			1878 37	. 33	Macy R.H
175g 33	EmeryAlrFreign	364	353 <sub>4</sub> 35	314	Manco
259	E.M.I	.! 278 343s	7514	i 5212	Marathon Oll Marine Midia
285g 24	Esmark	25	1038	1 154-	Marshal Field
224 483	Ethyl	_ 551g	6834	601a	Marsh McLe
29	FairchildCamer	a∣52 s. 31 \	27	223	May Dept. St
1214	Firestone Tire	15 174	48- 221 <sub>2</sub>	1674	McDermott.
171g 251g	TOTAL NAME BOOTS	271	35¾ 33¾	, 20.8	McDonnell D McGraw Hill
141g 296g			381 <sub>2</sub> 715 <sub>3</sub>	283;	Merck
253	FIGURE POWER .	2813 4012	20 -	1534	- Merrill Lynci
`325g			44 261 <sub>2</sub>	325e 205e	MGM
223 <sub>4</sub> 40	Card MATAT	2539 4458	651 <sub>8</sub>	1 554	Mobil Corps
1814	- FOLDRIOZE INDIG.	3612	52£g	471	Monsanto
30 53;	Franklin Mint.	758	483; 425;	36	MATORIA
323 265	Freeport Miner Fruehauf Fuqua inds	3458	497 251	4054 234	Nahiren
85	Fuque inds	1138	34 1	254	
111	GAF Gannett Gelr 2 Ge Amer. Inv Gen. Cable Gen. Dynamics. Gen. Plectric	115g 44	20-		
395 247	Gannert	283g	235 18	18 <sup>2</sup>	. Not Service
241	Go Amer. inv	274	331: 49	28 411	Natomas
16 26	Gen, Cable	10 3114	331 49 711 233 364 153	2 595 2 207	9 NCR
45	Gen. Electric	49 32 ia	36	541	New Englar
321 243		2514	- 111	4 9:	<u>. Niegliz jiu</u>
542 101				. 20 . 217	N. L. Indust 8 Norfolk & W
. 20			435	8 335 6 225	8 NOLTH MAT
26 25	Gen Tire	26:4	363	25	a Nthwest Ai
25	B GBRESCO	2879	97.		- Norton Sim
		37-8	017	a 15	Occident II
35			. 271	. 14:	S Opio Form
24	Gillette	25% 20	231	8 : 17	
17 16 25 25				8 : 20	Overseas S
25	Gould	283	21	17	Owens Con
-			25	. 22	is Pacific Lig
	OTENDOUGH	114	21	le 19:	i. Pan PWI. C
14	18 Ghis samerer.	275		. 04	la Pan Am Wo
23 59		674	24	. 19	Penn Pw. &
30				- 28	Penney J. C
25	58 Harris Corp⊓		1 74	L 31	18 Pennyait.
I TO	Heinz H. J	303	30	10	i - Dennies Di
•	Book		, 35 77	1 <sub>2</sub> .10 1 <sub>2</sub> .53 7 <sub>8</sub> .23	Peoples Ga
85	L Holiday Inds.		5		
37	18 Homestake	317 661	8 33	34 ; 25	29 Perkin Elm

Apr. 27	High	FoA-	Stock	27	High		Stock	27
2573	59	377B	Revion. Reynolds Metals. Reynolds R.J Rich son Merfell- Rockwell Inter. Rohm & Haas Royal Dutch	4572	30 53s	194	Woolworth Wyly	284
n 6934 L 2836	.593g   .5914	56	Reynolds R.J	5631	601 <sub>2</sub> 173 <sub>8</sub>	525g	XeroxZapata Zapata Zenith Radio	577g
315a 261g	31   401 <sub>3</sub>	1976 26	Rich'son Merren. Rockwell Inter	3914	1538	1236	Zenith Radio	15
n 2058 s 212	4014	281g	Rohm & Haas Royal Dutch	3812 685a	96 †814	775g	U.S. Treas.4%'80 USTreas4:375/85	814
3112 1512					9.733	8.96%	U.S. 90-day bills.	3,00%
16	3038	1318	Ryder System	2414			_	
225; 4873	46 ! 324 .	30 is 2134	St. Joe Minerals.	2434	CA	NAD	A·	
3112 K 4514	364 L	251g 291g	RTE	3678	1978	: 17	'Abitibl Paper	] 1738
2134 46	-	Q-7	DEGI IIII TELEVISION		7½ 45½	57B	Agnico Eagle	4050
40'2 5. 21	1634	914	Schiltz Brewing.	7434	504 52	2614	Algoma Steel Asbestos Bank Montreal	30 48)
475 <sub>1</sub>	2414	151g	SCM	2214		2349	Bank Montreal.	24 L
	21	175	Saxon Inds	201s 85s	- 938	4,85	Bank Montreal Bank NovaScotis Basic Resources Bell Telephone Bow Valley Ind	988
351 <u>2</u> 5379	363a		-		2258 2734	2018	Bow Valley Ind	2738
s 26 ft; 21	341g 168g	235g 105g	Seagram	155g	25 237 <sub>8</sub>	001.	IDD Canada	9314
2358 1614	2814 4814	1934 251 <sub>2</sub>	SEDCO	3412	. 914	638	Brascan Brinco Calgary Power	173
- 25'8	425g 66	284 373	SEDCO Shell Oil Shell Transport	66	441 <sub>2</sub> 16	TSM	Lizmino mines	.,0-4
15le	27ig 385g	195g 283e	Signa	. 261 <sub>2</sub> . 3359	144 11	10 94	Canaga Cement	934
1856 57 3514	147 <sub>8</sub> 245 <sub>8</sub>	84	Shell Transport. Signa Signade Corp Simplicity Pat Singer Smith Inter Smith Kline	1178 1334	511g 231g	2018	Canada Indust Canada Indust	2256
311 <sub>2</sub> 747 <sub>8</sub>	2438	3012	Smith Inter	54 čg	30 291 <sub>4</sub>		Can. Pacific Inv. Can. Super Oil.	. 2815 3028
d.) 1518	10212 418 451a	314	Solitron Southdown Southern Cal.Ed	334	116 51 <sub>2</sub>	71 4,70	Carling O'Keele Carling O'Keele	115 55g
1878 n: 65	2714	2218	Southern Cal.Ed	2458 1368	114			
es 26 is	17:8 391 <sub>2</sub>	. 15 ! 2758	SJUTNERN CO	3712	407a 38	28 515	Chiettain	594 36m
383=	341a 5714	23	Southern RailW"	V DD4.		124	Cominco	13 213a
181 <sub>2</sub> g. 29 <sub>58</sub> 26 <sub>12</sub>	273 <sub>4</sub> 893 <sub>8</sub>	221g 225g	Southland	374	1159	5.37	Coseka Resource	8 133,
3736 6778 1889	50	1439	Sperry Rand	161 <sub>8</sub>	105.	10	Coseka Resource Costain	1112
188	50 491 <sub>8</sub> 373 <sub>8</sub> 295 <sub>8</sub>	213	Squibb	313g 2334	273 <sub>4</sub> 1151 <sub>2</sub>	89	Dome Mines	11212
25% 56%	5038 6334	3414	Std.Oll Californi	a 4858 6212	1574 331 <sub>2</sub>	30	Dominion Bridg	e 2312
49 Ja 49 Ja	514 494				267 <sub>6</sub>	155	Domitar Dupong Falcon ge Nick	21
	وا 19	.123	Sterling Drug	1918 y 4458	57 74	674	Ford Motor Car	764
4778 2358	455g 328g 5414	275 351	Studebaker Wo	r. 29 525s	483	363	Genstar Giantyeli'wkni	483
als 3378	2634 3878	19	Sundstrand	3712	131 49			
•	. 131g	10	Stauff Chemica Sterling Drug StorageTechnig Studebaker Wo Sundstrand Syntex Technicolor Tektronix Teledyne	127g	44	381	Hawker Sid. Ca Hollinger Home Oit A'	421
23 d 16 a 5218	18634 64	571	Teledyne	120	243	8 20	Hudson Bay Min	22
	341 <sub>2</sub> 123 <sub>8</sub>					531	Home Oil A Hudson Bay Mn Hudson Bay Hudson Oil & G Hudson Oil & G Hudson Oil & G	as 611
68:4 E. 21 Te 34:5	271 <u>2</u> 271 <u>2</u> 2518	221	Tenneco	2714 2258	181 415 291	8 i 37	Imasco(Com.Si	k) 411 283
wk 15 8	47 921g	32	Texas Eastern.	435e	241	2 18:	imperial Oil	231
233s 1 25	39	243	Toxas Oil & Ga	39 187a	16	12	ı indal	15
e 4219	221 <sub>4</sub> 503 <sub>4</sub>	839	Taxas Utilities. Times line. Times Mirror Timken Trane	365a	125 191	ie <sup>j</sup> 11 ie , 16	inland Nat. Ga a int. Pipe Line	183
wr 2212 ner 2819	3514 5816	41	Timken	587g	203 4.9	ia ∤ 15 5 · 4.2	Kaiser Resoure	'B 4.2
orp. 2412	2214 184	16	Tran, America	1778	261 8	18 . 55 6	Marks & Spend	er ?
troi 2138	285g 313g	20	Tran. America Transco	, 31	146	is: 10	MasseyFargus	on 45
r 21 <sup>5</sup> 4 15 2178	3014 3014	20 13	Transway Inti	18	59	.   22	Moore Corpn	a R 4.5
o 261g	383 <sub>4</sub>	33 16	74 Travelers	1758	4.6 46	37	Noranda Mine	20
g 27% 19%	57		וסינות מחות איים ו	<b>La.</b> _2-0	46	5g.; 36	la Nth. Telecom	44
2212	425 417	,	DOOL COSTUDIE	av: 40 la	<u> </u>	18 26 4.6	OskwoodPetri B PacifieCoppe	6
p 261g 19 273g 19 221g 19 221g 19 193g	191. 313	, 19	78 Tyler	24.6	2.1		•	
Air 61a ifin. 28	- 51 î	8 : 00 8 : 17	UGI	21	50 25		Patino	
19½	213 243	17	UNC Resource	1718 50	4.0	) 2.5 1 <sub>8</sub>   25	25   PH306 G186 & L	)   3.2 
191 <sub>2</sub> 294 <sub>8</sub> 321 <sub>8</sub> 371 <sub>4</sub> 101 <sub>9</sub>	643	60	UNC Resource  34 Unilever NV  Unilever NV  Union Carbide  Union Commen	631g	29 27	°   21	Power C'pore	t'n 25
374:	623 43	1 20 32 34	Union Carbide	377	1. 23	75 1,7 3 <sub>8</sub> 16	Ranger Oil	22
33	97 697	e i. 9	Union Commercial Union Oil Calif. Union Pacific	69%	10 40	îg 8	Reed Stanhou	33
	645	s : 51	12 Union Pacific	∶ oə≫ : 7	42	38 38	Reed Stanhou Red Stanhou Rio Algom Royal Bk. of C Royal Trustoc	an. 40
314 304 271	81 11	4	ig Unitoyal 58 United Brands	87			u ganatia Basili	rael 6
9 271s	32 303	: 26 6 21	ita US Bancorp	304	38	նլ՝ 6 7a j 32	Sceptre Res'u	38
675	23	2 20	)šį US Shoe L. US Steel	234	19 11	78   15 34   7	34 Shell Canada 34 Sherritt G. Mi	nes 11
Ele. 1556 6756 o'm. 3616	41	36	14 UtdTechnolog	jies 395	8 3.0 8 30	3. 7. 00 2.	ishell Canada   Sherritt G. Mi   Sherritt G. Mi   Sheel of Cana   Steep Rock   I   Die   Tack Corpo	da 30
26: 201 201	39	9 12	Virginia Elect	181 271	4 4	15g   27 55   3.	55 Steep Rock I	ron. 3. B' 13
-	288 24	1 19	Jg U niroyal	ay . 253	8 <u>6</u> 8	58 4	Texaco Cana	da. 61
343	: 25	la   23			- 15	3, 21 78 1	14 [[Gronts Doll 14 TransCanPip 35 TransMount ]	eLn 1
en 283	31	20	Waste-Man'm Wells-Fargo					
ble 793	28	8 2	118 Western Bane 114 Western N.An	orp 2/1	2 11 4 10	L , {	158 Union Gas 3a UntdSiscoe N	ines
		1	His Western Band His Western N.An Sig Western Unio 734 Westing he E	n 173 lec. 177	4 46 B 16	34   31	Union Gas	rans 1
163 223 635. 145	20: 32	16 ; 17 ] <b>2</b> 4	112 Weyerhaeuse	r 291	8 24 8 .	5 , 2	314 Weston (Geo.	.) 20
267	2 20	4 16 9 14	Wayerhaeuse Whirlpool	d 27		Bid. 4	Asked. § Trade	d. 91
		14	White Con. in William Co Wseensin Elec-	at 251	Sto	ck.		
461	ن م							

Į.	Hapag Lloyd 98 +4 14.06 7.2 Harpener 146 -0.5 15.6 5.4	Do. Reg 2.205 +5 16 3.6 Credit Sulsse 2.205 +5 16 3.6	Wheelock Maritime A 13.75   3.55 Winsor Industries 2.65   2.70
l l		Electrowatt 2,030   10   10   2.5   5   3.5   10   10   10   2.5   5   3.5   10   10   10   10   10   10   10   1	and Frediglidend + Buyer, + Seller.
agte 712	Horten 140 -2 9.36 3.3	Pa (Small) 8 100 '+100 110   1.44	xa Ex all. Susp. Suspended.
	Horten 136 +1 14,84 5.2  Kali und Selz 136 +1 14,84 5.2  Sa4.5 2.5 25.44 5.6  Kauthof 239.5 1.5 18.78 3.9	Interfood B 4,575 21 2.4	   Brazil
	Klockner DM.100 81.5+1		Price   + or Cruz Yid
raScotia, 2314		0 P/E250 2 505 -15 15 1.4	Apr. 26 Cruz — Div. 3
Ulloite" " " " " " "	Linda	Pirelling 100 4.425 +46 26 1.5	Acesita
ey Ind' 2758	B8.2-1 9.36 5.3	00. Part Certs 345 -3 12 3.5	Bancodo Brazii. 1.580.06:0.12,7.51 Banco Itau PN 1.31
da 2314 2334	M.A.N	Cultar (3:F.100) 300 1 1 1	Belgo Mileira OP 1.70 (-0.920,084.59
73g		0 By Care 100 383 42 10 2.0	Betrobras PP 1.48 -0.06 0,13 8.44
lines 1314	Neckermenn 187 —1 — —	Sw.Reine (+230) 3.2 15 - 15 20 3.1	Souza Cruz OP. 2.150.020.219.76
NW Lan. 938	Preuss'gDM100 151 7.4 RheinWestElect 168.5 0.3 25 7.4	Zurich Ins 13,350 - 250 44 1.7	ValeRioDoce PP: 1.78 -0.02,0.17 9.44
Bk.Com 2758 Indust. 2259	Schering 25 49		Turnover Cr. 140.3m. Volume 86.6m Source: Rio de Janeiro SE
ific 2958 ific inv 2812	Sud Zucker 247 +2 17,36 5.6	and the second second	Source: NO be Sallend St.
oer OiL 115 O'Keefe. 55g	Varta 175 +1 . 10.16 5.0	AUSTRALIA	JOHANNESBURG
Asbastos 105	VEBA		MINES
n 5914	Volkswagen! 238.1 -1.41 25   0.2	Apr. 27 Aust. 5	April 27 Rand , Tor - Anglo American Cpn, 7.45
265g	MILAN		Charter Consolidated . 14.50
er Gas 21% Resource 8	Apr. 27 Price + or Div. Yld.	ACMIL (25 cents)	East Dristontein 13.40 +0.10
1334		AMATH SI	Harmony 6.35
Mines 1112 Mines 2078 11212	Restoci	Ampol Potroleum +0.70 +0.0	Kinross
atrojeum 136½ .	First	Asses Bule Paper S 11.85	Rustenburg Platinum . 2.90 +0.10
n Bridge 231g	Finsider	Audimeo 25 cents 11.73	- Southings +0.15
e Nickel 5612	italsider	Aust Foundation Inv †0.97  -0.0	Gold Fields SA \$34.00
tor Can. 7512	Montedison 174 -1.75	Aust Oil & Gas +1.05 +1.0	
4834	Olivetti Priv	Blue Metal Ind 10.97 +0.0	Blyvooruitzicht 6.20
li wknife 12 of Canada 4712	Pirell SpA	Boral 1.95	Last Kand Pty 13.00
Sid. Can., 12		Brambles industries 19.58 +0.1	6   President Brand 18.50 -0.10
A: 5514 Bay Mng. 22 Bay Mng. 2678 Oll & Gas 6112	OSLO	BH South †1.37 +0.0	1 President Steyn 14.45 -0.05
Bay 267g	Price + or Div. Yid	CSP (S1) 13.63 +0.0	4 Welkom 16.40 -0.05
	Apr. 27   Kroner -   %   %	Cockburn Cament	West Distriction 43.70 -0.20
(Com.Stk) 411s	Bergen Bank 100 -1 6 6.0	Cons. Goldfields Aust 13.50	INDUSTRIALS
2312	Creditbank 121 11 8.5	Conzinc Rictinto	( PEO)
Net Gas. 125s	Kosmos	CONTRACT CON	Abercom
e Line 1834	Kred Itkassen   117   12   3.0   Norsk HydroKr8   320   -3.75   12   3.0   Storebrand   123.75 + 1.25   7   5.7	ESCOR 12.65	Barlow Rand 5.68 +0.08
Resource 1918 Com. B 4.25	-	Endeavour Resources †0.20 F.Z. Industries †3.22 +0.	
n Bloed I. 2312 & Spencer 712	PARIS	Gen Property Trust 11.42	De Bears Industrial †15.30
/Farguson 121	Apr. 27 Frs Frs. 2	Hooker	Edgars Conad. Inv 3.50
Cornn 387g			EAST MESON OF THE
ain State R 4.55 ta Mine 4339	Renta 41 807.9 +9.8   41g 0.5 Afrique Occ d t 335.5 -1.1 24.75 7.4	Jennings Industries	Greatermans Stores †3.40
Energy 2034	Afrique Occ 21 407.5 0.3 16.5 4.0 Air Liquide 582	Jones (David)	270 +0.00
Oil & Gas 31 oodPetro p 67s	BIC	Lennard Oil	93 McCarthy Rodway 0.77
odPetro p 2Copper M 1.95			91 NedBank
	B.S.N. Gervais 585 40,5 71. Carrefour 591.9 5.1 71.5 7.5 7.6 C.G.E. 1,007 5 78.25 7.6 C.I.T. Alcatel 1,007 5 78.25 7.6 Cie. Bancaire 450 8 9 7.75 128 8.1	Mim Holdings 1.62	Pretoria Cement 4.40 +0.0
inPetrol m: 4912	C.I.T. Alcatel 1,007 -5 78,25: 7.0	News International 10.93	Protea Holdings 1.59 -0.0
Gas & Oil. 3.25 Develop't 26 C'porat'n 2512	Cle. Bancaire 417 —1 12 2.5 Club Mediter 458.5 —2.5 7.5 1.1 Cr'dit C'm.Fr'Ge: 149 +1 12.76 8.0		- Kabo Mines I observe
C'porat'n 251g	Cr'dit C'm.Fr'ce: 149 +1 12.76 6.5 Creusot Loire 60.5	Oll Search 10.14	Resco:
r Oil 2278	Dumez 685 -6 .56.76 4.1	Ofter Exploration 10.55	ne   Sage Holdings T1.50
Nachouse: 986	- A-4-16+16 257 +0.5 10-6 4-	- Deablet & Colman \$2.00	.01 C G Smith Sugar 16.00
om		Sleigh (H.C.)	CA BONNATIAS 1.53
Trustoo 1612	1 afarge	Spargos Exploration 10.32	THE THREE COSTS AND N. MIG. \$12,00
re Res'urge 538	1 T T T T T T T T T T T T T T T T T T T	L Toothe (X)	
anada 1858	Male he Dheanly 570 -0 39.5 (*	4 Wattons	UZ (This section to a Cold )
tt G. Mines 11 on 2.90		Western Mining (Social) 11.47	.01 (Discount of 5x70)
of Canada 3012	MOUI REX 97 5 0 9 2.26 8.		C eremium. Belgian dividends are atte
Corpn. B'., 1318	Paribas	NOTES: Oversees prices exclud	S premium. Belgian dividends are after
to Dom.Bk. 254	Remod Ricard   312  -4   16.5 4.	DM 50 denom, unless otherw	ise stated. • Pts 500 denom. unless other a otherwise stated. • FFr 500 denom. unles unless otherwise stated. • Price at time of unless otherwise stated.
CanPipeLn 1934	PaugeotCitroen 395 +9 17,25 4.	wise stated. \$ Kr 100 denom. umes.	unless otherwise stated. \$ Price at time ( unless otherwise stated. \$ Price at time ( Cents. & Dividend after pending right)  Cents. & Dividend after pending right
	RadioTchnique 410 -5 50 5	o Suspension a normal par chara f	BUCS. O CLOSS CIA. No. w besterning district.
GSS	Redoute 120.1-2.4 10.5 8.	A   BITEF SCRIP AND/OF THE P Name & SI	iare spire a Dia. and Alein excitore about
r Hiram 4512 Coset Trans 14	St. Gobain	1 including United the M. M Unofficial	trading, p Minerty holders only, a mergi
on (Geo.) 2458			all. A Interim since increased. S premium. Beigian dividends are after
§ Traded. ¶ Nev	Suez   810   +5   25.5   5   Telemecanique   810   +5   25.5   5   ThomsonBrandt   226.1   +1.1   15.15   6	7 NOTES: Overseas prices exclud	8 3 hamseur = 2.5.5
3 1 (2 (2 G). 7 (4 G)	Valner 11.65	withholding tax.	

INTERNATIONAL BONDS

BY NICHOLAS COLCHESTER

### Enter the drop-lock floater

nudging U.S. interest rates market is choosie. higher, the convertible floating rate note came to Europe last week. Invented by Blyth East-April, this instrument allows the rate bond if he perceives cent at any payment date, the soldiered on, mainly interest rates to be moving bond changes, pumpkin-like, unspectacular results. designers Credit Suisse First transformation, then comes into

Following issues in the U.S. The by three American banks, Manu-the borrower here—particularly facturers Hanover announced a an industrial company. of the Atlantic to raise \$150m for 30 years at home and \$100m rate move down to a level it cent, especially when the for 15 years in the Eurobond can live with in the long term. newest EIB issue of the same market. The international in the meantime it has float-maturity was quoted in the marcent above three-month Libor and will be convertible on each payment date into an 8 per cent straight bond.

Demand for this paper was reported to be high. But it was tranche will for the first seven ing rate finance without the ket at 98 after having been

hard to know whether this was tranche was set approvimately

MOUNTED half a point higher (on an U.S. rates made the week an whether the Fed could avoid annual basis)-perhaps the U.S.

TVO Power of Finland is pioneering the "drop-lock" man Dillon in the U.S. in mid- 12 years. The interest rate is sure that this sector ended the investor to convert into a fixed but if Libor drops to 81 per Nevertheless the issuing houses down. On Friday an automated into a 9 per cent straight bond. version appeared, christened the A purchase fund of \$1m a year year money for Hydro Quebec "drop lock bond" by its for the first three years after

> There are two plus points for finance as soon as the floating

steepening of the yield curve resulting from a drop in short-term rates. He could find himdue to the name or to the conversion rights. Eight per cent is a fair way below current yield levels and it is a number of years since this sort of yield was relevant. Interestingly, the

uncomfortable one for more conventional forms of long-term dollar finnace. The rise in U.S. money supply and the upsurge bond. It is raising \$30m for in Treasury Bill rates made a per cent over six month Libor week on an unhappy note.

CSFB managed to raise 20 at a yield of 10.12 per cent, but this was plainly prob-lematic and the bond was below 97 at the end of the week after having been priced at 99. Orion Bank's 10-year bond convertible FRN on both sides knows that it will get fixed rate for Canadian Pacific carried a

lean-looking coupon of 9; per

Societe Generale de

It seems that some support from Belgian funds is likely as of the market the capital maran estimated \$100m worth of kets sub-committee decided to Genstar equity is already in Belgian hands. The other bond bonds over the next four weeks. was a \$20m convertible issue for Nitto Electrical which Nomura is managing.

The Deutsche-Mark sector had another poor week. Prices were down by half a point on Friday to give a total drop for the week of up to two points. The inflation figures remained unsatisfactory. The currency itself held steady. There was talk in the market of a new Government tranche financing scheduled for early this week

Hill Samuel pointed out that although the yield differential between the Deutsche Mark and dollar paper has narrowed by over 1 per cent since the Carter package, this process has further to go. As foreign interest has dwindled, German foreign bond yields have mounted towards the domestic yield level. Yet they must really rise above this before the domestic investor provides sup-

for the Council of Europe was Manufacturers Hanover: sary. Sogen considered these priced to yield 7.25 per cent, that spreads were becoming too The fear of a new rise in terms "not generous but real- after the coupon had been fine.

nudged upwards by # to 74 per cent.' In view of the poor state float only DM 475m worth of

Although similar forces are at work in the Swiss bond market, this sector had a quiet week with, if anything, a positive trend in prices. The Governor of the Swiss National Bank had soothing things to say about the prospect for Swiss inflation and there is currently a freeze in new issues.

As a currency which is holding up well within the new European monetary system, and which offers U.S. style yields at the same time, the French franc sector has been going well of

. Electricite de France seems

bound to-take the limelight in the international capital market in the next few days. First Reuter reports that a FFr 2bn bond issue on the domestic market is due soon. Second, it is understood that Credit Lyon nais is putting together a \$700m loan facility for EDF. It seems that Morgan Guaranty is playing a leading part in this Government bonds are now back-up loan. This would be yielding 71 per cent for 10 significant as the big U.S. bank years BHF Bank's 10-year issue dropped out of EDF financing two years ago because it felt

Borrowers	Amount	Maturity	Av. life	Coupon %	Price	Lead manager	Offer yield %
U.S. DOLLARS	77						Kanana
†Hydro Quebec (g'tee			:	<u></u>		Crédit Suisse First Bosto	30.77
, prov. Quebec)	<b>.</b> 75	1999	· 1	10	99	KFTCIC	. 9.75
‡EIB	75	1989	<u>8</u> .15	93	100 100 .	Kidder Peabody **	10.25
AYCO	40	1987	<b>.</b> •	10 <del>1</del>	100	Man. Hanover Ltd.	5.320
∦†Man. Hanover	100	1994	35	51/51°	1001	Deutsche Bank	9.43
Norway	150	1984	5	71	1004	Orion	
Canadian Pacific	50 ·	1989	8.9	<del>?1</del>		Orion	
US Leasing Int.	20 .	1984	. 5	10	100	Nomura Europe	4.07
§Nitto Electric	20 ,	1994	<del>-</del> -	•	100	Crédit Suisse First Bosto	
TVO (g'teed Finland)	30 .	1991	¶ .	<del></del>	100	- Soc. Gen. de Banque.	
Genstar Ltd.	50	1989	<b>T</b>	10		Wood Gundy	•
D-MARKS	• • • • •					Burdana Buda	6.89
‡Bardays Bank Int.	100	1989	70	61	99	Dresdner Bank WestLB	6.60
‡Tokyo Electric	200 ;	1985	· <u>6</u> ·	64	991		7.25
‡Council of Europe	100	1989	. 7	74	100	BHF-Bank	7.575
Argentina	150	1989	8 .	71	991	Deutsche Bank	*
§Seiyu Stores	100	1985	· <u></u>	51	100	WestLB	<del></del>
CANADIAN DOLLA IFirst Canadian Inv.	RS ,		:			ing to the first of the state	
(g'teed Bk. of Montre	sal) 50	1984	5,	10	1001	UBS (Securities)	9.87
Br. Columbia	24	1989/99	<b>.</b>	101	100	CCF, A. E. Ames	10.25
‡Bk. of Br. Columbia	10	1989	10	101	100	- Wood Gundy	10.25
Ayco	25 .	1986	7	10½		Kidder Peabody	<u>. *</u>
SWISS FRANCS							
i**lapan Dev. & Con:	25 🖟	1985	7.2.	4	.100	Banca del Gottardo	4.6
ISNCF (g'teed France)		1991	na.	41	100	Soditic	4.25
FRENCH FRANCS	, 190 – Ž	1771.		• <b>4</b> .			
ist. Gobain	. 130 🕏	1986	. <b>7</b> .	93	100	BNP	9.75
KUWAITI DINARS	<del>-</del>					The strategy of the case	
iNorges Kommunalban	k f						7.575
(g'teed Norway)	12 🐣	1989	7 <del>1</del>	71	994	KIC	1.313
Occidental Petroleum	7.	1987/91	·	81	. •	KIIC	
YEN	3	1004	996	7.7	100	Daiwa, LTCB	n.a.
‡**]ugobanka	10bm	1994	11.5	13	100	Dalmay El Co.	
1++Dev. Bk. of Philippines	10bm	1995	na.	7.5	100	LTCB, BoT, Numura	7,64
(g'teed Philippines)	<del>*</del>	477.5		***			
UNITS OF ACCOUN		1991	•	81		. Kredietbank Int.	*
City of Copenhagen	25 ;			Floating re	To mote	Minimum. § Convertib	lo.
Not yet priced. , # Fi t† Registered w	nal termis. rith U.S.3 ar No.	Placen nd Exchange to: Yields a	Commiss	ríon. ζi	Purchase 1		

CURRENT INTERNATIONAL BOND ISSUES

INTERNATIONAL EQUITIES

BY JOHN EVANS

BY DAVID LASCELLES

Pro Traitie

- المستشا Ordinar dir. Yes Sand

Prince of the contract of

٠٠ . ٠٠ **تا.** 

Description -

then the are

----

C1274 .....

2----

Queer

Hot

lia.\*.n

COPP

U.S. \$28

Ang Rate U.S. Dr.

Houses

### Placing equity in the Middle East

cerns have long sought to tap wake of the declining dollar.

Middle East wealth directly for For the Eurobond market as offerings of Western corporate equities, aiming for the day when the placement of such as well received in the Middle special features. The whole of shares was as routine in Kuwait East as governmental or multior Riyadh as in London and national agencies' credits.

automatically absorb a chunk of an equity offering or any well known European of U.S. corperation

By 1976, those targets seemed That year, Mid-East investment in U.S. stocks reached a peak of \$1.8bn.

proved to have represented official cash and few Arab government institutions wish to investors. build up common stock holdings beyond fairly low levels. So the merchant bankers J. Henry

For the Eurobond market as

In recent weeks, however, a Some even foresaw the time large placement of Dutch shares when the Mid-East would has proved popular in the Arab has proved popular in the Arab world, a tentative sign that the area may display greater interest in direct Western equity operations in future.

The Amsterdam-listed Sarakreek Holding NV has placed privately 1.36m shares of Fl 57 per share, raising the equivalent But most of this investment of some \$38m. More than half roved to have represented of this was placed in the Middle East, much of it with private

Arab investment trend in U.S. Schroder Wagg and Company

U.S. AND European brokerage markets since then has been and its Beirut-based afficiate, belived to have been on behalf and investment banking con-downward, particularly in the Schroder and Company SAL, of a group of Arab investors. Other participants included the Amsterdam-Rotterdam Bank and

> the \$38m raised is to be invested in developed commercial U.S. real estate. Historically, the Arab investor has been more comfortable with property than almost any other sort of invest-

> > Much of the billions of dol-lars of private and sem-official funds which, in recent months, have been estimated to have flowed out of the Gulf area, partly because of the instability in Iran, is reckoned to have been destined for Western real estate investment

investment trust associated with Continental Illinois Bank, is for private investment flows.

What some brokerage concerns are now banking on is a wearing of Arab private investors away from real estate to a more sophisticated investment approach.

Western investment bankers say that there is more willingness in the Gulf nowadays to consider an enlarged foreign content of property, shares and other investments in portfolios than at any other time in recent

The huge scale of infrastructure development in the past five years, has disbursed wealth much more widely in the Arab economies, as shown by the mushrooming of private comt institutions wish to investors.

Significantly, the recent bid, panies and agencies. In Western mmon stock holdings

The placing was arranged by worth \$120m for Continental terms, the equivalent of an overall portfolios several banks, including London Illinois Properties, a real estate

Arab middle class is developing fast, with obvious implications

### Testing time for the Fed brakes

THE FED'S decision to tighten or an annualised 13 per cent present high levels. credit on Friday capped a week And a few hours later, the that already rated as one of money supply figures showed did intervene in the Fed funds.

conviction that the Fed had not, enough to depress an already after all, decided to increase interest rates at its latest meeting on April 16. Bu this had a mixed effec on the markte. Short term rates dipped sharply, and by Wednesday

three month Treasury bills were down from 9.20 per cent \$365.6bn was the third rise in to 9.86 per cent. Elsewhere, a row, marking an increase of though, the Fed's apparent 9.5 per cent in the four-week reluctance to apply the brakes average. In fact, the rate of made investors nervous. Prices growth is still well within the of long term municipals and Fed's short- and long-term tarindustrials weakened up to a get ranges. Similarly, the 10.1 quarter of a point by mid-week, per cent four-week average rise and there were similar, if slightly smaller, net losses on long-dated government bonds.

Then on Thursday, the latest money supply is bound to need to consume ratio forward and the consumer ratio forward and the con

the most eventful in the bond large increases in both Mi and market draining reserves when markets this year.

Trading began with a growing conviction that the Fod had as a consumer were more than cent, a level it had previously apprehensive market, and prices plunged sharply. The growing conviction that the Fed would, after all, have to act, pushed three-month Treasury bills back up to 9.23 per cent.

The \$4.1bn rise in M1

tolerated. Because of Mr. Miller's out-

policy only a few days before, second quarter the market was divided over are available." how the Fed's decision had actually been taken. The intervention immediately

pushed short-term rates up again, though not as much as it might because the Fed's action had been widely anticipated and partially dis-figures counted. At the longer-term them, end, the market reacted with show continued economic some relief, and prices dropped strength, but with inflation only slightly before stabilising unabated. It will not become clear for a

day or two quite how far the all the indications are that consumer price figures revealed tighter control with inflation Fed has gone with its tighten- demands for funds will remain a 1 per cent increase for March, and economic activity at their ing; but most economists believe strong in all sectors.

a new Fed funds target of 104 Mr. Alan Lerner at Bankers Trust said, "the aggregates and continued raging inflation may have shaken Mr. Miller's confidence in his outlook, but it seems likely that he would balk spoken remarks about the at a major tightening move at adequacy of present monetary this point, well before the second quarter economic data

Some of these data will come this week. Manufacturers' shipments, inventories and orders in March come out on Tuesday, followed by th producer price index on Thursday, and consumer credit and employment figures on Friday. Between these are expected to continued economic - In credit makets themselves:

Republic of Finland

SDR 50,000,000



8₹% Notes Due 1984

Credit Suisse First Boston Limited

Banque Bruxelles Lambert S.A. Banca Commerciale Italiana Postipankki

Westdeutsche Landesbank Girozentrale

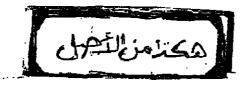
AWASSA

Dresdner Bank Aktiengesellschaft Bank of Helsinki Ltd. Kansallis-Osake-Pankki Union Bank of Finland Ltd.

Wood Gundy

Algemene Bank Nederland A.V.	AMAS S.A.	Amsterdam-Kotterda	am Bank N.V.	Andresens Bank A.S	. Bache H	alsey Stuart Shiel
Bank für Gemeinwirtschaft						
Bank Lenmi le-Israel Group	Bank Mees & Ho	pe NV	The Bank of Tokyo	(Holland) N.V.	Bankers '	Trust Internation
Banque Française du Commerce E:	alerieur	Banque Général	e du Luxembourg S.	.A.	Banque de l'Is	adochine et de Su
Banque Internationale à Luxembor	arg S.A. Banque	Nationale de Paris	Banque de Pa	ers et des Pays-Bes	Banque de l	Toion Européen
Banque Worms	Baring Brothers & Co.,	Ba	verische Landesban	k Girozentrale	Baye	rische Vereinsber
Banque Worms Bergen Bank Berlins	r Handels- und Frankfur	ter Bank	Blyth Eastman D	illon & Co.	Caisse des Dépô	its et Consignatio
Chase Manhattan Chemi	cal Bank International	Christiania Ba	nk og Kreditkasse	Citicorp Interns	ational Bank	Clariden Ber
Commerzbank Continental III	inois Copenhagen B	andelsbank Cov	nty Book Créd	lit Agricole (C.N.C.A.)	Grédit Con	amercial de Fran
Crédit Industriel et Commercial						
Dai-Ichi Kangyo Bank Nederland I	V.V. Daiwa Euro	ope N.V. Der	Dankse Bank af 18	71 Den norske	: Creditbank	Deutsche Bar
Effectenbank-Warburg Abdumathah Gefina International Genossens	Euromobiliare S.p.A.	European Ba	sking Company	First Chicago	Foji Lai	ercetional Finan
Gefine International Genossens	chaftliche Zentralbank AC	G Girozentrale uno	Bank der Österreic	chischen Sparkossen	Goldman Sachs	Laternational Cor
Hambrus Bank Hessisc						
Kidder, Peabody International	Kleinwort, Beason	, ' Kredistpar	ik S.A. Luxembour	geoise Kuhn I	oeb Lehman Bro	thers Internation
Knwait Foreign Trading Contraction						
Lezard Brothers & Co.,	Lazard Frères et (	Je .	Manufact <del>orers</del> Han	iorer	McLeod Young	Weir Internation
Merrill Lynch International & Co.	Mitsui Finance Eur	rope Samuel Mo	மாக்கா ஒ Co-	Morgan Çrenfell & Co.	Morgan St	aniev Internation
National Bank of Abu Dhabi	The Nikko Securit	ies Co., (Europe) Ltd	L Nipp	on European Bank S.A.	. No	
W 10 D 1 77 1	3" (" D )	A	DEL_L_L_	Driverhankan	N 16	D-4L710 C.
Northmanz-Bank Zurich Rothschild Bank AG	Salomon Brothers Inte	rnational	Scandinavian B	kank Sci	hröder, München	ryer, Hengst & C
J. Henry Schroder Wagg & Co.	Skandinaviska	Enskilda Banken	Smith B	arney. Harris Upham S	Co.	Société Général
Société Générale Alsacienne de Bant						
Strauss, Turnbull & Co. Sumi						
The Taryo Kobe Bank (Luxembour	v s ( 1177 Onio l'insper interpstion		d V	oins and Westhank	2 C W	unione & Co. I to
The Tarko yope Rank (Paxempond	D 24 CBC	M Daue of Morway P	ان. د د	Alternatives	O. 45 11	

Williams, Glyn & Co.



### FT INTERNATIONAL BOND SERVICE

	Canada 914 98	96½ -0½ -0½ 9:90 98% 0 -0½ 10.44	Hudgon Bay 101, 89 C\$ 60 99, 100, 0 0 10.5 Quebec 101, 86 C\$ 50 98, 99, 0 -0, 10.4 Kemm Inst. 7, 93 EUA 15 97, 98, -0, -0, 7.7
	EIB 94 88 125 944	97's 0 +0's 9.93 96 -0's -0's 9.97 99'z -0's -0's 10.01	i P3nama 84 83 EUA 20 964 97% 0 ∔∩. 85
	Export Dv. Con. 9.85 84 150 100%	99% - 0% - 0% 10.18    00% - 0% - 0% 9.91	Algomene Bi. 64 83 Fl 75 964 964 +04 -05 7.5
	Export Dv. Cpn. 91, 84 100 971, 1 Eksporthnans 9 88 50 957.	974 -04 -04 9.91 964 -04 -04 9.74	FIR 71. 85 FI 75 097 041 01 0.4
	Finland 9 88	954 - 04 - 02 10.07 974 - 04 - 02 10.01	i New Zeeland Ko. Ma Fi 75. 1977. 947. N _ A) 0 4
	Gould Int. Fin. 91, 85 50 991	98's -0's -0's 9.99 } 99's -0's -0's 9.82	Eli Aquitaine 94, 88 PF1 150 584, 994, 0 0 9,9
	Hospital 0/\$ 9 83 25 973   Hudson Bay Co. 10 94 50 1004 1	977; -01; -01; 9.66   901; -01; -01; 9.94	EIB 34, 88 FFr
ļ	J. C. Panney 84, 83 100 957	541, -01, 0 10.62   961, -01, -01, 9.63	Solvay et Cie 9½, 87 FFr 125 99½, 99½, 0 0 9.8 Total Oil 93, 87 FFr 150 97 973 — 02 — 03 9.0
	I Manitobs 9º- 89 75 97º   I New Brunswick 93, 94 75 973	97% -04 -04 9.92   984 -04 -04 10.01	Onligher ID 85 FFF 100 100% 104% →04 →05 9.7
	Newfoundland 10 94 50 994   Norsk Hydro 94 94 50 954	991 -01 -01 10,06   951 0 -01 9.86	Citicorp 10 93 £ 20 901, 911, +01, +01, 11.3 FIB 91, 88 £ 25 941, 947, +01, -1 10.7
١	Norway 9½ 84 150 99% 1 Portland 10 84 50 97%	00½ -0¼ -0¾ 9.94   97¼ -0¼ -0¼ 10.63	rinance for ind. 13 91 £ 15 1034, 1044, +04 = 04, 12,3   Gen. Elec. Co. 134, 89 £ 50 1014, 1024, 0 = 04, 12 1
I	Redland Fin. XW 91, 91 25 937, Sears Roebuck 9 82 150 987,	984 0 0 9.61	RAT 8 88 LuxFr 250 977 984 -04 -04 8.3 Bayer Lux. 8 88 LuxFr 250 977 984 -04 -04 8.3
	Stockholm 91, 94 50 991, UK 87, 93 150 951,	991 -01 -01 10.04 951 -01 -01 9.70	FIB 74 88 LuxFr 250 97% 96% +0% +0% 8.7. Furstom 8 87 LuxFr 500 99% 100% 0 -0% 7.9
	DEUTSCHE MARK STRAIGHTS Issued Rid O	Change on	Finland.  F 2 22 1 Fr 250 972, 983, 0 0 0 2
	"Underican Ex. Int. 3'2 8/ , /U 97's ;	ffer day week Yield 521 - 01 - 04 6.82	Norges Km. 8 85 Luxfr 500 96% 95% 0 + 0 8.7; Oslo City of 8 89 Luyfr 500 86% 96% 0 + 0 40% 81
ļ	Australia 6 88 250 923	961. — 01. — 01. 7.55   961. — 01. — 21. 690	Renault 74 88 LuxFr 500 972 982 -02 -02 8.12 Solvay Fin. 8 85 LuxFr 500 1003 1013 +02 0 7.81
١	i bankamenga 54 90 160 903	894 -04 -24 7.18 964 0 -04 7.97 914 -04 -2 6.94	Swedish Bk. 8 88 Luxfr 500 98 100 2 - 0 - 0 7.3
ļ	Bg, Ext. Algerie 74, 85 100 974 1	974 - 04 - 2 6.94   974 0 0 7.74   987 - 04 - 1 7.48	FLOATING RATE
I	Ct.CA 0 86, 150 92½ 9 Ch. Manhttn. O/S 6 93 100 92% 9	33 <sup>1</sup> 2 0 0 7.54 93 <sup>3</sup> 2 -0 <sup>2</sup> 2 -1 <sup>7</sup> 2 7.03	NOTES Spread Bid Offer C.dte C.cpn C.yld
١	Copenhagen City 6 90 75 89% 900 Council of Europe 64 130 901.	904 -04 -14 7.27 934 -14 -3 7.31	Arab Intl. Bank M6.5 83 04. 967, 971, 31/7 11.44 11.76 BFG Fin. Co. M5.5 89: 04. 987, 98 12/7 12.4 12.56
١	Denmark 5½ 85 100 95 1	9512 - 014 - 114 6.77	Bunco di Roma M6 87 01, 981, 987, 26/10 11.19 11.30 Bco. El Salvador M8 83 11, 977, 977, 12/10 121, 12.50
1	FIN 6 9U	90 -11 -21 7 77	Boo. Nac. Argnt. M8 83 0% 100% 100% 21/7 12% 12.28 12.28 12.2 12.28 12.2 12.28 12.2 12.2
J		944 - 01 - 2 7.27 964 - 01 - 01 7.74 901 + 01 0 6.49	Bank of Tokyo M52, 93 04, 984, 984, 18/10 114, 11.94
I	Finished 6 83	97½ 0 -0½ 6.34   97½ 0 0 6.58	90, Ext. 6 Alg. M7.5 85 Us 35's 85's 2/5 12'4 13'38
ļ	Indunesia / 64	961 ~01 ~01 7.92	Bq. indo et Suez M65- 04, 851, 857, 2/5 124, 13.38 Bq. indo et Suez M65- 04, 851, 894, 257, 12, 12.08 Bq. i. Af. Occ. M6.5 83 04, 881, 987, 12/7 12.4, 12.58 BNP 55 91
ł	Megal Fin. 7 89 750 96½     Microbishi Petro 53 95 100 961	98% - 0% - 0% 7.21   97 + 0% + 0% 6.38	CCCF M5 25 98 OL 975 002 379 715 77 6
١	New Zealand 64 87 200   953 1	97's +0's -2's 6.80	Citicorp U/S Fin. 6 94 04 994 997 8/6 11.06 11.10
I	Nicoon Tel. & T. 5-, 87 700 894, 9	9472 +074 +074 6.92   9074 -074 -174 7.22	Gotahanken M6 88 04, 982, 983, 15/5 12.31 12.50
ĺ	Nordic Inv. 6k. 67, 86 60 98% 9	374 - 04 - 14 6.86 34 - 04 - 1 6.94	LTCB Japan M51, 85, 01, 991, 995, 9/6 12.06 12.16 Midland Intl. M61, 93 01, 981, 981, 20/7 121, 12.37
Į	Norway 63⊾64 2000 1097≥1(	XP1 — D11 — D14 — D14 — D15 —	Nino. Crdt. Rk. M5.5 85 04 951 100 22/6 12.81 12.86 OKB M54 88
ĺ	OCCIDENTAL 64, 80 150 95 9	53 -05 -07 7.35   173 -03 -11 6 87	Petro Mexicano 71. 84 04 99 901 24/7 12:19 12:26
l	OKP 6 87	963; -03; -03; 6.67 963; -04; -24; 7.70	Privredon Banka MR 86 07, 967, 977, 22/6 13.44 13.87
ĺ	Picoh 5 <sup>2</sup> 1 83	15½ 0 -1 6.65	Simmeralisticks, M6 85 04 975 984 4/10 11.06 11.24
ĺ	11DS Group 54 83 65 954 8	974 0 -04 6.93 164 -04 -1 6.90	Utd. Overs's Bk. M6 89 64 974 984 11/70 114 11.36
l	Union Pant-Fion 61, 88 50 927, 9 Venezuela 61, 90 160 897, 9	31 0 -01 7.50   01 0 -01 7.81	CONVERTIBLE Car. Car. Che
ŀ	World Bank 63: 88 400 94% 9	51011 6.96	CONVERTIBLE Cav. Cav. Chg. BONDS date price Bid Offer day Press
ļ	SWISS FRANC STRAIGHTS Issued Bid Of	Change on for day week Yield	Boker (21, Fig. 51, 93 1/79 34 1191 1191 101 0 6
١	Acesa 54 88	141 <sub>4</sub> -01 <sub>6</sub> +01 <sub>2</sub> 4.72 141 <sub>2</sub> -01 <sub>6</sub> +1 4.03	Cibo-Geigy O/S F. 4 94 9/79 678 933 945 +03 47:18
l	AUSTRIA 3-7 22 IVAL 97 9	18 <sup>2</sup> 1 - 0 <sup>2</sup> 1 + 1 <sup>2</sup> 1 4.59	Esselte 74 89 9/79 150 073 001 0
Ì	Australia 31 E9 250 953, 9	16 -014 -01 4.14	100-Yokado 5% 53 6/78 1339 107% 108% -0% 2.39
l	Canada 31 89	64, 0 +04, 4.11	NOVO INGUSTY / XV
ļ	Council at Europe 41 100 981 9 Bankamerica 31 93 80 951 9	8% Q +0%,4,44	Asahi Optical 3 DM12/78 588 309 911 0 849
I	BNDE 5 88	15% -0% -0% 4.19 11% +0% +2 4.84 12 0 +0% 4.30	120m/s 3.5 op nw101/8 383 84 887 402 153
l	EIB 42, 93 100 967 9	17 <sup>1</sup> 2 +0 <sup>1</sup> 2 -0 <sup>1</sup> 2 '4,54	JUSCO 37 00 DM 1/73 1154 851 861 02 95 70
	F. L. Smidth 41-89 25 99 9	4 <sup>1</sup> 20 <sup>1</sup> 4 0 4.80 6 <sup>1</sup> 4 +0 <sup>1</sup> 4 +0 <sup>1</sup> 4 4.61	Kanishiroku 31, 85 DM 1/79 612 911, 921 -01, 18.84 Marudai Food 31, DM 2/79 1033 841 851 -05, 25 60
ŀ	Finland 41, 93 80 991, 9 GZB 41, 93 100 100 10	0½ 0 +0½ 4.49 l	Mulata M. 3- 86 DM.:.11/78 854 96- 9701 6.08 Nipp. Air. 3.5 88 DM 12/78 808 98 95 -78. 40-74
l	ICI Fin, NV 31, 94 230 971, 9	53 +04 +1 4.83 14 -05 +04 4.28	Nippen Ysn. 3'- 85 DM 1/79 351 037, 037, _m. 4 00
ĺ	Melaysia 4% 90 60 97% 9 New Zeeland 3% 94 120 92% 9	8 -03 +03 4.99 23 0 +03 4.18	Nistan Diesi, 34, 86 DM 2/79 477 914, 977, -04, 7,80 Olymp. Ont. 33, 85 DM 2/78 703 .983, 100 -nt. 0.88 Ricoh 33, 86 DM
ĺ	Pfand Ost Lende 4 90 60 95% 9	6% 0% 0% 4.41	100 Cpn. 3- 88 DM 2/79 347 945 954 - 10, 10 57
l	Philippines 4½ 89 50 974 9 Sandvik 4 90 85 97½ 8 Spain 4 91 100 964 9	8 0 +02 5.03 8 +02 +12 4.23 62, 0 +03 4.40	
Ì	Vienna 4 93 190 94% 9	54 +04 4.48	Trio-Knwd. 3 <sup>1</sup> , 36 DM11/78 711 86 <sup>1</sup> , 87 <sup>1</sup> , -0 <sup>1</sup> , 4,68
	World Bank 41, 93 250 961, 9	6's 0 +1 4,57 Change on	
		for day week Yield	© The Financial Times Ltd., 1979. Reproduction in whole
•			TOPICULAL (I) TOPICULAL (I) TOPICULAL (I) TOPICULAL (II) TOPICULAL (II) TOPICULAL (II) TOPICULAL (II) TOPICULAL (II) TOPICULAL (III) TOPICULAL

consent. Data supplied by

BONDTRADE INDEX AND YIELD 8.62 89.32 9.36 8.63 89.33 9.37

EUROBOND TURNOVER

\* No information availableprevious day's price. † Only one market maker

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units ex-cept for Yen bands where it is in billions. Change on week = Change over price a week earlier.

supplied a price.

FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. M=Ming mum coupon. C.dte=Date ner coupon becomes effective. Spread =Margin above six-month offered rate for U.S. dollars. C.cpn=The current coupon. C.yld,=The current yield.

current yield.

CONVERTIBLE BONDS: Del nominated in dollars unless otherwise indicated, Chg day=Change on day. Cnv. date=Firs date for conversion into shares Cnv. price=Nominal amount of bond per share expressed in bond per share expressed if currency of share at conversion rate fixed at issue. Prem=Pen centage premium of the current effective price of acquiring shares via the bond over the mos recent price of the shares.

The list shows the 200 lates international bonds for which ar international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Bondtrade Kredietbank NV: Gredit Commercial de France; Credit Lyonnais E. F. Hutton Services SARLS Commerciank AG: Deutsche Bank AG: Westdeuische Landes bank Girozentrale: Banoue Inten Bank AG: Westdeutsche Landes bank Girozentrale; Banque Integnationale-Luxembourg; Kredits Bank Luxembourg; Algemene Bank Nederland NV: Pierson Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzensen Bank of Switzerland; Akroyd and Smithers; Bankers Trust Inter-national; Banque Francise de national; Banque Francaise de Credit International; Citicorp International Bank; Caixorp International Bank; Caixorp International Bank; Company; Dillon Read, Overseas Corporation: EBC; First Chicago; Goldman Sachs International Corporation; Hambrus Bank; IBJ International; Ridder Peabody International; Mérrill; Lynch; Morgan Statley International; Nesbitt Thomson; Salomon Brothers International; Samuel

Brothers International: Samue Montagu and Co. Scandinavia Bank: Strauss Turnbull and Co. Sumftomo Finance Inte S. G. Warburg and Co

### Garton Engineering

Results for the year ended 31st December

Dividend per sinite	<b>6.365</b> p	5.7p
Dividend pershare	C 00E~	
Earnings per share	13.6p	16.1p
	<b>949</b> .	1.050
Profitbeforetax		
Turnover	11,826	11,173
	£'000	£,000
	1978	1977

"Trading conditions in our traditional markets have been depressed with imports continuing to obtain a noficeable share of the market.

Our programme of capital investment is continuing and has already enabled us to broaden our product range and enteradditional markets.

We are pleased to report that sales are marginally ahead compared with the same period last year... we would expect that the broad spread of our product range will enable us to respond to any general improvement in trading conditions."

Aubrey Garton, Chairman

CHEMICAL COLOUR MANUFACTURERS

	₹ 1918	₹ 7811
Turnover	2,267,000	2,575,000
Profit before taxation	510,000	592,000
Profit after taxation	369,000	354,000
Ordinary dividend per share	0.76p	0.68p
e <del>- Le rent de la constant</del>		

Extracts from the chairman's statement:

- \*Goods to the value of £666,000 were exported, an increase of 22% over 1977.
- \*Despite the pressure of increased costs, there was a fall of only 1% in the ratio of trading profit to turnover.
- ★ It remains the intention of the board to review the rate of dividend if and when any change in the present regulations is made.
- with improved efficiency in production although there is a limit to the extent that this can be done without increasing prices.

HORACE CORY AND COMPANY LIMITED NATHAN WAY, LONDON SE28 0AY



### **Queens Moat Houses Limited Hoteliers**

Record pre-tax Profits

Chairman John Bairstow reports results for the year to 31st December 1978:

- \* Pre-tax profits up 69% to £445.643 (£263,473) \* Turnover up 27% to £9.7m (£7.7m)
- ⇒ Dividends for the year up to 10.314% (6.5%) maximum permitted under current Treasury regulations.
- \* Earnings per share up to 1.27p (0.92p). \* Revaluation of Group fixed assets to £12.8m - surplus of

Current trading indicates a further significant improvement in turnover and profitability and thave every confidence in

the growth of the Company during 1979. Capters of the 1978 Report and Accounts may be obtained from the Campung Secretary, Queens Mont Houses Ltd. Queens Mont House, St. Edwards Wing, Romford, Essex RMI 4DD.

### CORRECTION

U.S. \$25,000,000

Floating Rate U.S. Dollar Negotiable Certificates of Deposit, due 29th October, 1981

THE DAI-ICHI KANGYO BANK, LIMITED



In accordance with the provisions of the Certificates, notice is hereby given that for the six months interest period from hereby given that for the six months interest period from 27th April, 1979, to 27th October, 1979, the Certificates will carry an interest Rate of 1018% per annum. The relevant interest payment date, will be 29th October, 1979,

Merrill Lynch International Bank Limited Agent Bank

FINANCE FOR INDUSTRY TERM DEPOSITS Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 11.5.79. Terms (years) 3 4 5 6 7 8 Interest % 10½ 10¾ 10¾ 11 11 11¼ 11½ 11½ Deposits to and further information from The Chief Cashier, Finance for Industry Limited. 91, Waterloo Road, London SEI 8XP (01-928 7822 Ext. 177). Cheques payable to "Bank of England, a/c FFI." FFI is the holding company for ICFC and FCI.

engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last

FORTH TOTAL Blundell-Permoglaze Hidgs. Db. 34pt. Li 34pc. Boulton (William) 81;pcPf. 2.8475pc Bratcan Class A 25 cents British-American Tobacco 6pcPf. 2.1pc British Caloumbia Elect. Bds. (Br.) 2-spc British Land Ln. 6pc British Later Db. 3-spc. Brown Tawse 7pcPf. 2.45pc Bruntons (Musselphorgal) 4.375p Burgoss Prods. 6pcPf. 2.1pc Burmah Oil 6pc1st and 2ndPfs. 2:1p TupcPf. 2.5375pc. 8pcPf. 2.8pc Burnden Dil 6pc1st and 2ndPfs. 2:1p TupcPf. 2.5375pc. 8pcPf. 2.8pc Cantors 71:pcPf. 2.63pc Chemring 4,9pcPf. 2.45pc Clark (Matthew) 7pcPf. 2.45pc Clark (Matthew) 7pcPf. 2.45pc Matthew 7 7677. Z. 2006.

Impenn lethi. Dbs. 34, 3 106.

In de Groot 10 1000Pt. 8.58 pc.

Iher (John Edward) 5100Pt. 1.92.

Chemical 35 cents:

6 Scull 700Pt. 3.5 pc.

ee and London Invest. Tst. 56 pc. Db. 2100.

pp. Hidgs. 5100Pt. 2.0125 pc. 

Soldman (H.) Grp. Ln. 4\*apc arang Metropolitan Hotels (Scotland) Pl. 1.7Spc Pl. 1.75pc reanfields Leisure 10pc Pl. 5pc uildheil Property 6pcPl. 2.1pc ammersmith 91:pcRed 4 spc CWIIIiam) & Son 340C Deb 14 2 24 (1978-83)

4pc Higham (William) (Hidgs.) 7 pocPf. Whittionam (William) (Hidgs.) 7-popt. 2.625pt. Ln. 4pc Woodhouse & Rhuon (Hidgs.) 1.19903p TOMORROW COMPANY MEETINGS— Sarro Cons... Selfy Hotel, Wishaw, Sutton Coldhold. 12.00 Wishaw, Kleinwart, Senson, Lonsdale, 20, Fen-

ts 15t, Dab, 2pt Alien 61;pcP1, 2,27pc rate 2,19p ( (C. gr) 3pcPerm.Db, 1/apc e Tst 5pcP1, 1,75pc | Industries 10pcP1, 5pc, 101apc 4Red, 7:50 Springel 1:50 springel 1:50 springel 1:50 TEL Deb 1:4 2pc scPt, 1:575pc s (Recile) (C. of) 5pcLs. (Plan

Tronger industrial investments
DIVIDEND & INTEREST PAYMENTS—
nerican Medical Inti Inc., 20 cents can Medical Intl Inc., 20 cents (Peter) 2.6620 -Pelepa and A 0.33\$p 0.67p Vira., 20 Cosardan, 1763\$p Occardan, 1763\$p ton 1764 (Asbor, Cos.) 512pcPt-ton 50 (Asbor, Cos.) 512pcPt-

ruse: W.L., 12.00
encer (Georget, Wimtporne House, Ber and, Basford, Nottingham, 12.00
ile Catto, New Bond Street House, 1 Wew Bond St., W., 12.00
BOARD MEETINGS—
Finals:

ramny Inv. 1st. 2.859
First Guernaey Securities Tst. 3 59
Hewitt [J.] (Rentom) 1.27789
Jamesons Chocolates 2.7599
Noll & Spencer 3.559
Treasury 154pc 1996 7.525pc
FRIDAY MAY 4
COMPANY MEETINGS.
Alliance Trust. Meadow House.

7.63p

(W. & E.). St. Crispins Way. Roundabout. Thurmaston, Lekester. Interiess
wilk Save Discount
ister Television
DIVIDEND & INTEREST PAYMENTS—
1554m-Dodars 9.50570
effest 61-50cRed. 1977-80 2.25pc
hambers & Fargus 0.25p
lay Richard. 1.512260
outins (William) & Sons Ord. and
3.064n

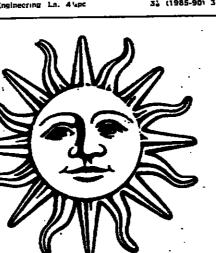
Stone-Platt Inds. 1.330
Walker (Thomas) 0.1675p
Walker (Thomas) 0.1675p
Western Doograf Tea 5.24p
Ville Casto 1.54p
Ville Casto 1.54p
DIVIDEND & INTEREST PAYMENTS—
Blue Circle Inds. Deb. 5-3pc
Church & Co. 2.81
DIVIDEND & INTEREST PAYMENTS—
Arndale Property Trast Ln. 3-35c
Briston Estates Deb. 3-3pc
Briston Estates Deb. 3-3pc
Briston Estates Deb. 3-3pc
Capting Intil. Deb. 4-3pc
Capting Intil. Deb. 3-3pc
Tillylog (Thomas) Ltn. 4-4pc
Whithread Ln. 3-3pc (1995-99)

### LOCAL **AUTHORITY** BONDS

Every Saturday the Financial Times publishes a table giving details of LOCAL AUTHORITY BONDS on offer to the public

For advertisement details please ring S. Cooper

01-248 S000, Extn. 7008



# **Funds now** exceed £1 billion

Extracts from the statement by the Chairman, Mr. P.G. Walker

**Summary of Results 1978** £m 135.4 163 4 Premium Income **Total Funds** 1,007.5 895.3 (market values) Payments to policyholders

4.72p 5.19p share (gross) When I made my statement last year I said that 1978 would be a good year but even my optimism at that time did not anticipate the exceptionally high level of business which

Dividends per 5p

we were able to secure. It was to be expected that an organisation such as ours with a substantial group pensions portfolio would secure a greatly increased new premium income arising from the contracting-out decisions under the Social Security Pensions Act, but the actual increase exceeded our best expectations.

Our subsidiary companies expanded their activities, with Solar Life Assurance having a successful second year of operation despite increasingly strong-competition from other established life companies entering the unit-linked field. The

Company should have a bright future. Overall the new annual premium business secured by the Group in 1978 was 61 % up on the the previous year and new single premiums were 24% higher. Both these percentage increases were well above the industry averages.

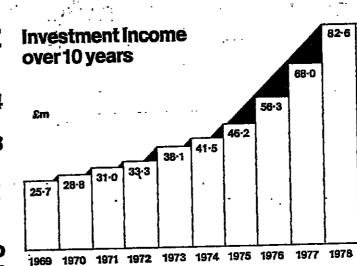
### **Pensions**

Our efforts in connection with the Social Security Pensions Act 1975 culminated in well over 900 contracting-out certificates being obtained on time.

A number of the Society's clients, when considering alterations to their schemes along with applications to contract-out, decided to transfer to the managed fund run by Sun Life Pensions Management Limited. This wholly-owned subsidiary has had another successful year and, after taking account of transfer values from the Society, funds under management almost doubled to £60.5m at the year end.

### Accounts

The total premium income for the Group amounted to £163.4m in 1978 which was a record increase of £28.0m on the previous year. The total income of the long-term business funds, which included a transfer from internal reserves of £7m, exceeded outgo for the year by over £132m. The overall result is that the total funds of the Group, including the proprietors' fund and investment reserve, amounted to £1,007m at the year end. The passing of the £1 billion funds landmark deserves special comment. I feel that we can be justly proud of this achievement. The long history of Sun Life Assurance has been one of continuous growth and the attainment of this impressive level of funds confirms yet again our position as a major life office in the UK. I would like to take this opportunity of thanking all our business connections, especially the brokers, for their valued support over the years,



without which we should not have achieved such successful results..

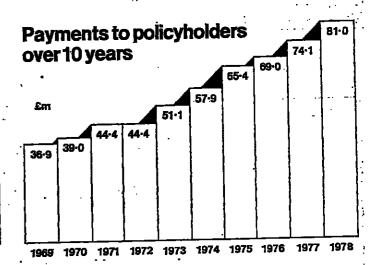
### **Actuarial Valuation**

As foreshadowed last year, an actuarial valuation for the Society has been published on an annual basis for the first time as at 31st December, 1978. The surplus shows a healthy increase and once again I am pleased to report improved rates of bonus for virtually all our classes of with profit business. There has been an increase of 25% in the transfer to the proprietors' fund for 1978 over the average of the previous two years, with the proportion of profits allocated to the proprietors remaining at the previous level.

### Investments

The major part of the money newly available to the Society for investment has been placed in fixed interest securities to take advantage of the high rates of interest obtainable - some £51m being so invested. Only £10m was invested in equity shares, but a higher proportion of new money is expected to go into equities in 1979. £13m was invested in property, with outstanding commitments at the end of the year of £12m.

In recent months, it has again been suggested that there is a case for government to be able to direct insurance



companies and other institutions to invest a proportion of their funds in certain forms of investment. Any such direction will lead inevitably to lower returns than would have been secured with freedom of choice, with people's savings (through individual and pension scheme policies alike) subsidising some sectors of the economy. I trust that the evidence submitted to the Wilson Committee will have convinced it that; no such direction is either necessary or desirable and that the Committee's report effectively disposes of the case put forward by those who advocate powers of direction.

### Dividends

The dividend cover for 1978 was 1.61 which did not permit the Society to make any further increase in 1978 above the 10% limit. Two half-yearly dividends were accordingly paid totalling 3.4759p per 5p share, equivalent at the tax credit rate of 33% to a gross dividend of 5.1879p per share, an increase of 10% over 1977.

A half year's dividend of 1.9117p per share has been declared for payment on 2nd July, 1979. If the 10% limit still applies for the whole of 1979, and the basic rate of income tax remains at 33%, a similar dividend could be declared for the second half-year. It remains your directors' intention to increase dividends substantially as soon as circumstances



If you would like to receive a copy of the 1978 Annual Report ☐ and a booklet on getting the best out of life assurance [], please tick the appropriate boxes, complete the coupon and return to the address below - no stamp is required. (BLOCK CAPITALS, PLEASE)

i	Name	
L		

Sun Life Assurance Society Limited, Freepost, Sun Life Court, St. James Barton, Bristol BS1 3YX.

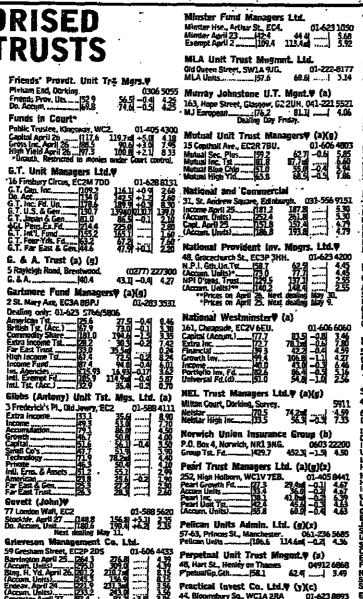
OFFSHORE AND

25, Milk Street, EC2V &JE

Intl. Govt. Secs. Tst. 120.22 20.34 First Sterling ISSUE 7.218.96

Lloyds Bank International, Geneva 

### Зυ. **AUTHORISED UNIT TRUSTS** Abbey Unit Tst. Mngrs. (a) Funds in Court\* Affen Harvey & Ross Unit Tst. Mngrs. Allied Hambro Group (a) (g) Hambro Hse., Hutton, Brentwood, Essey. 01-588-2851 or Brentwood (0277) 211459 5 Rayleigh Road, Bred G. & A. 883 -0.4 7.53 82.4 -0.5 6.46 49.0 -0.3 6.53 28.01 -0.21 2.87 41.71 -0.11 2.13 59.61 -0.41 1.93 46.5 +0.3 2.15 80.24 -0.7 4.05 101.84 -0.7 2.16 Anderson Unit Trust Managers Ltd. . 623 9231 61.6| ......| 4.58 Ansbacher Unit Mgmt. Co. Ltd. i, Nobie St., EC2V 7JA. 01-623 6376 nc. Montbly Find......[180.0 190.0] ......] 9.3 rbuthnot Securities Ltd. (a)(c) 7, Queen St., London, EC4R 1BY. Guardian Royal Ex. Unit Mgrs. Ltd. Royal Exchange, EC3P 3DN 01-628 8011 Lag) Guardhill Tst......[114.8 118.9] -0.9] 3.75 Archway Unit Tst. Mgs. Ltd.\(\psi\) (a)(c) Henderson Administration♥ (a)(¢)(g) Premier UT Admin., 5, Rayleigh Road, Hutton, Brentwood, Esser. 0277 217238 Barclays Unicorn Ltd.**Y** (a)(c)(g) apital exempt Tst..... Extra income Financial High Income Fands High Income Fands High Income 772 9 Cabot Extra 1or. 64 2 Cabot Perf & Gill. 50, 4 Sector Fands Financial & ITU 76.7 OII & Nat. Res 72 2 International eneral rowth Acc. ncome Tst. Pri. A'ns. Tst... International 34.7 World Wide April 27 . 191.6 Bresses Fends Baring Brothers & Co., Ltd.Y (a)(x) 225.01 ...... 4.07 286.51 ...... 4.07 May 2. Hill Samuel Unit Tst. Mgrs.†(a) 45 Beech St., EC2P 2LX 01-



Provincial Life Inv. Co. Ltd.

343 - 63 217

96.51 --0.71 2.97 37.520 --0.21 2.75 98.01 +2.81 3.05

38.6m +0.2 228 47.9m -0.5 4.78 79.6 +0.1 4.03 40.6 -0.4 2.13 56.0m -0.4 1.97

931) --- 428 1244 -05 516

37.7] =0.2| 6.80 60.3| +0.9| 6.70

Am. bot Am. Sm... Foods

Investment Intelligence Ltd.9(a)(g)

Cosmopolitan Fund Manuspers (z)

3a Pont Street, London SW1X 9EJ. 01-235 8525

Growth 197 21-0at 9.04 5.00

Income 50.9 561.2 +0.9 10.77

August 1983 599 221.3 +1.0 6.60

Income 50.9 561.2 +0.9 10.77

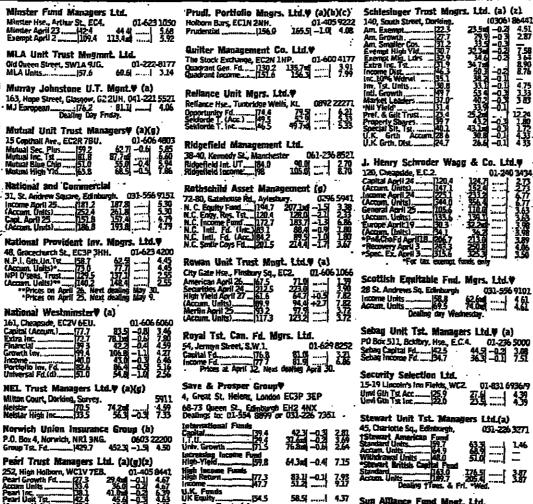
August 1983 599 221.3 +1.0 6.60

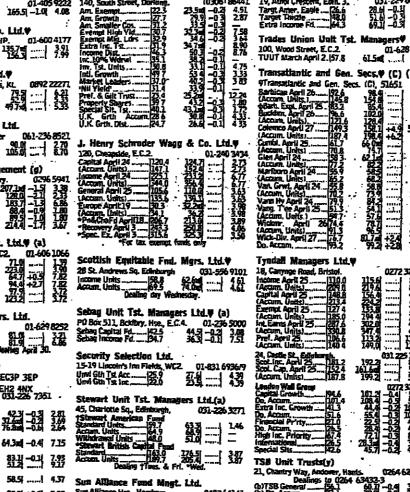
Income 50.9 561.2 +0.9 10.77

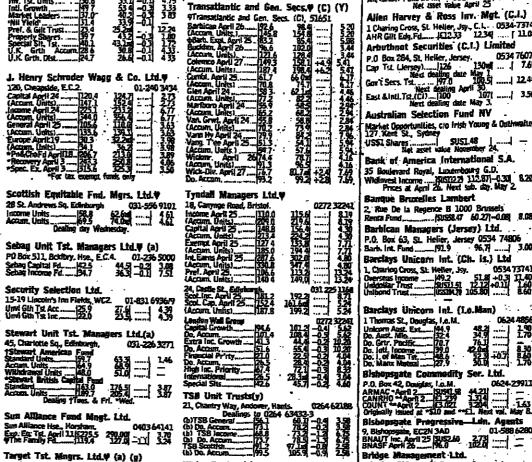
August 1983 599 221.3 +1.0 6.60

A Metville Cres. Edinburgh 3. 031-226-4931 Cres. April 73 031-236-3-0.11 Streen Management 1 Mr. Cres. Internet 1. 57.8 64.1 -0.7 1.01 ManuLife Management 1 Mr. Cres. Internet 1. 57.8 64.1 -0.7 1.01 ManuLife Management 1 Mr. Cres. High. Dist. 151.0 54.7 -0.2 8.5 S. George's Way, Survenage. 0438-5610. Gres. Reserves. 52.0 -0.4 4.46 S. S. George's Way, Survenage. 0438-5610. Gres. Reserves. 52.0 -0.4 4.46 Growth Units. 77.0. 73.8 +2.8 4.00 Dist. or April 20. 21.3 So.0 -0.3 209 Mayflower Management Co. 1.4d. Dist. or April 20. 213.8 Cres. 104-088-485 Dist. or April 20. 213.8 28.11 4.0 Dist. or April 20. 213.8 28.11 4.0 Dist. or April 20. 213.8 485 Dist. or April 20. 20. 40. Mercury Fund Managers Ltd. 01-606-2095 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Amerity Uts. 21.57 Dist. Mercury Fund Management Ltd. 01-606-2055 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Mercury Fund Management Co. 1.00 Dist. April 20. 20. Dist. April 2

Property Pension | 120.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 12







Target Tst. Mgrs. (Scotland) (a) (b)



数 二 级

051-227 4422

Royal Insurance Group

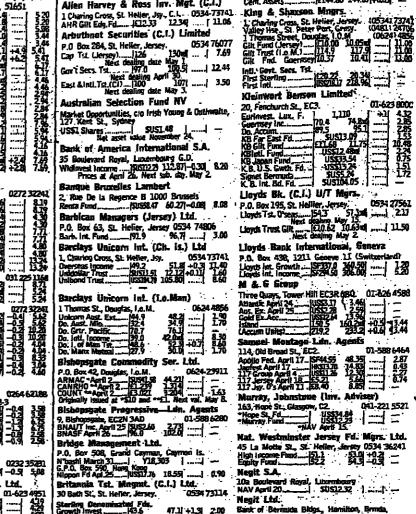
Save & Prosper Group#

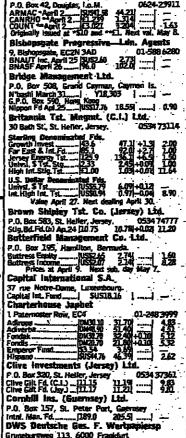
Schrader Life Group®

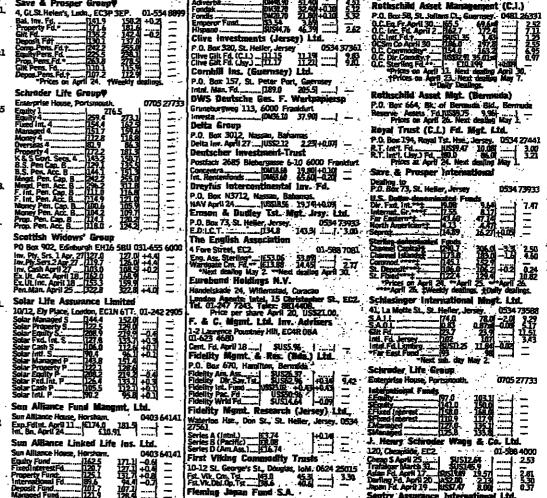
Ringd, Pen. Cap. B. 2422 Mingd, Pen. Cap. B. 2422 Mingd, Pen. Acc. B. 2422 F. int. Pen. Cap. B. 2111 F. int. Pen. Cap. B. 2119 Money Pen. Cap. B. 2110 Money Pen. Acc. B. 21141 Prop. Pen. Acc. B. 21161 Prop. Pen. Acc. B. 21161

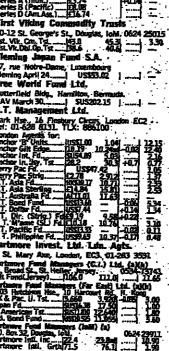
Enterprise House, Portsmo

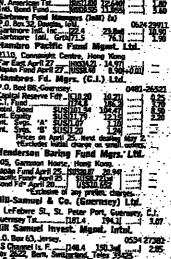
Rothschild Asset Management St. Swittins Lane, London ECA. 01-626-4356 N.C. Prop. | 128.4 | 136.7 st Next sub. period June 29July 13.

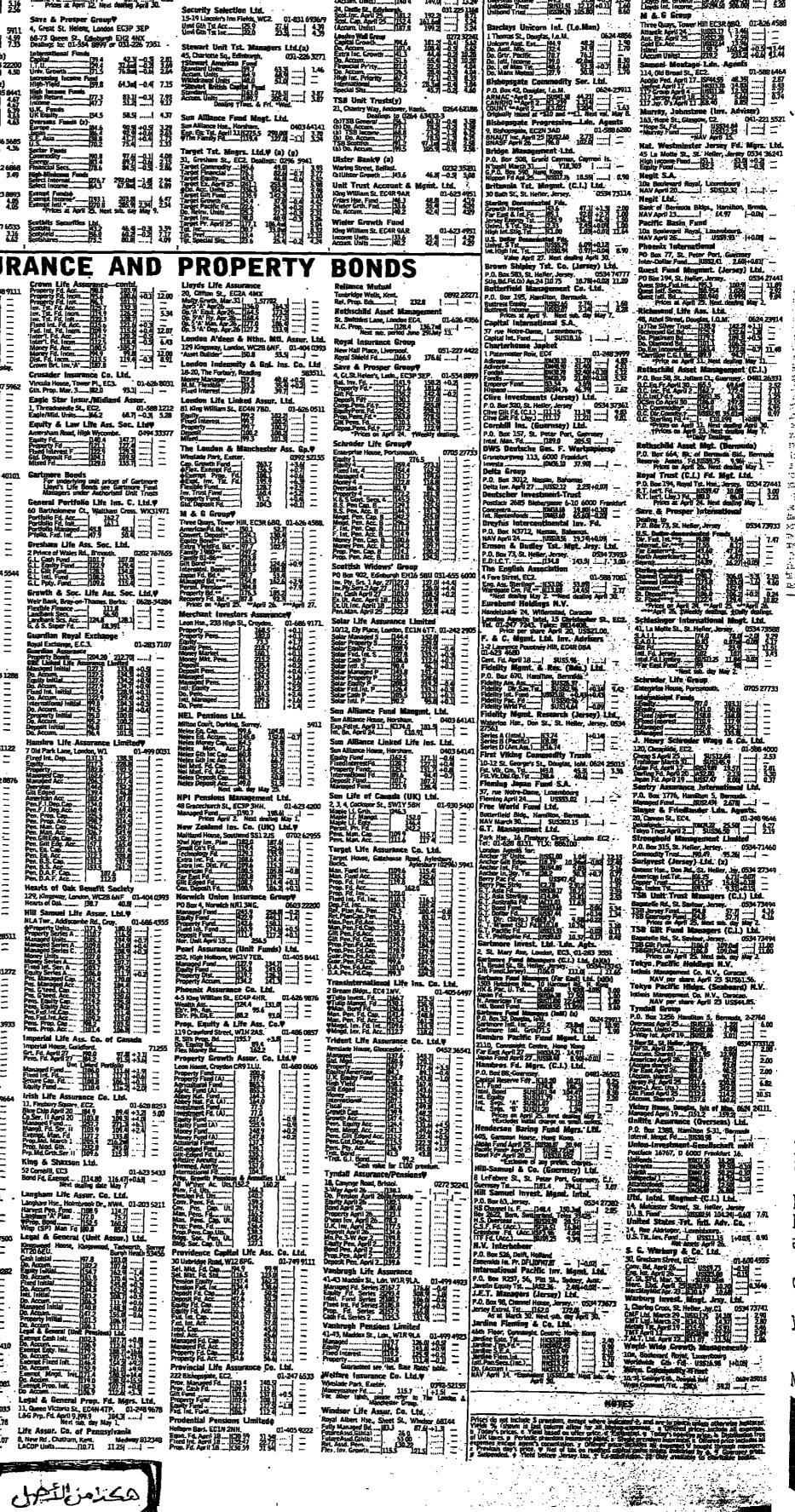












pater :



London A'deen & Nthn. Mtl. Assur. Ltd.

London Indemnity & GnL Ins. Co. Ltd

80 king william St. ECAN 78D. 01-626 0511

Equily 992 102 22 ... 997
Fixed interest 997 100.7 ... 997
Deposit 100.2 ... 993
Mixed ... 993 101.3 ... 993

0392 52155

The London & Manchester Ass. Gp. 4

London Life Linked Assur, Ltd. 81 King William St., ECAN 7BD. 07-

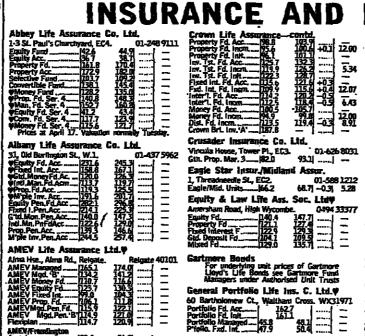
Property Fund....... Gtd. Deposit Fd.....

M & G Greup♥

Leon Hse., 233 High St., Croydon,

97.6 -0.1 4.08 89.7 -0.6 215 84.5 -0.5 286

276.7 292.0ml -1.8 2.94 -64.3 67.8ml -0.2 6.89

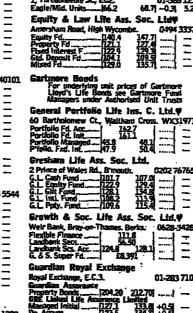


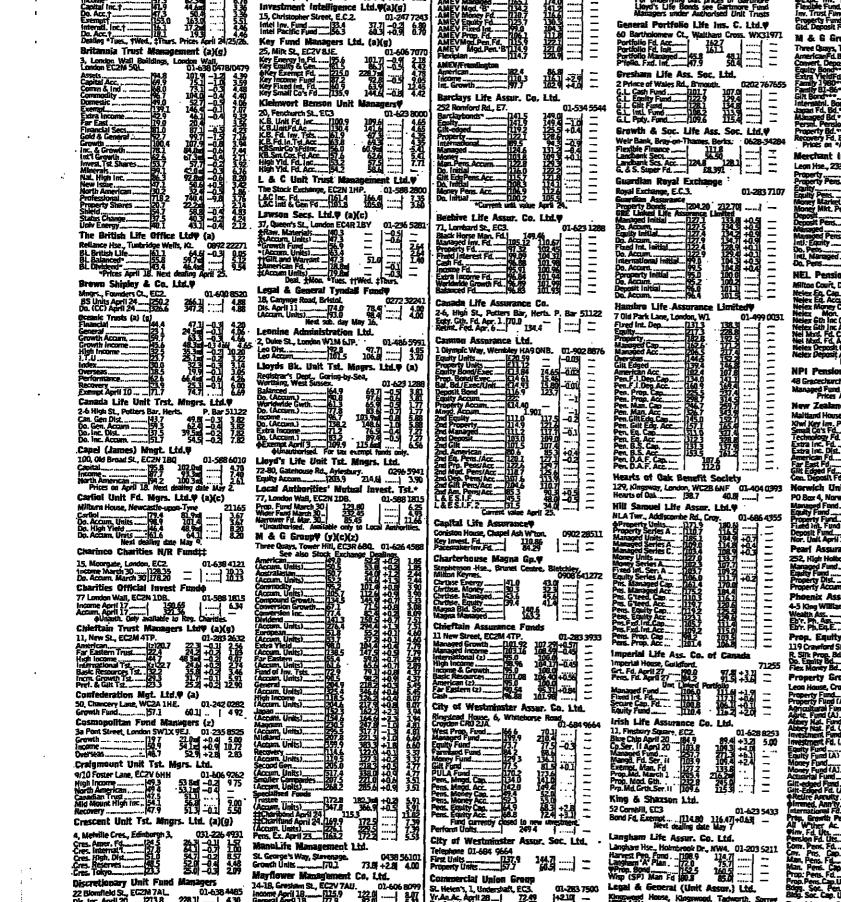
Overses Funds (2)

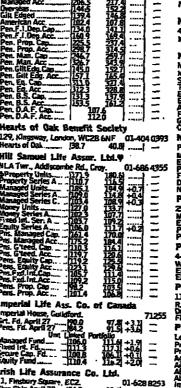
Energy Financial Secs.

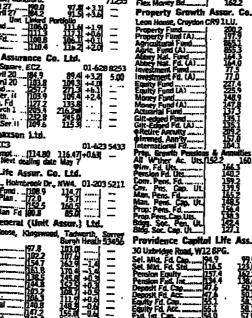
44, Bioomstury Sq., WCIA 2RA 01-623 8893 Extrapt Fands | 1931 203.8 | 6.47 Practical April 25 | 172.5 183.1 | 4.95 Exempt Income | 193.1 203.8 | 6.47 Accum. Units | 270.8 285.9 234 | 234 Prices at April 25, Next sub. day May 9.

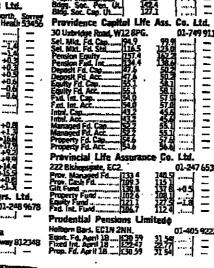
222, Bishopsgate, EC2. 01.247 6533 Scribits Securities Ltd. Scribits Se







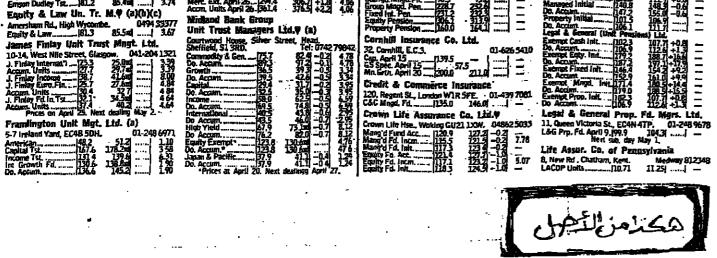






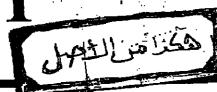






### FINANCIAL TIMES SURVEY

Monday April 30 1979



damaging the other combatants

-the market gains have been

made at the expense of the

independent sector—the grocery

industry seems to be headed

for a long period of trench

Tesco and Sainsbury may be

-but there is every sign that

be able to launch another deep

price-cutting offensive in the short-term, but in the longer

term they can achieve the same result by boosting volume

they

### Battle in the High Street

By David Churchill

Consumer Affairs Correspondent

THE FIRST phase of the High Street price war is over-but the second phase is now on and the competition is as fierce as

That, basically, is now the state of the grocery industry as delegates gather at the Institute of Grocery Distribution's annual conference in

Brighton, today. While representatives manufacturers, wholesalers, and retailers at today's conferwholesalers, will undoubtedly have their own views as to the causes, course, and the outcome of the battle for a larger slice of the grocery market, at least two points are clear.

One view is that the grocery industry will never be quite the same since that fateful day in June, 1977-straight after Queen's Silver Jubilee celebrations — when Tesco dropped trading stamps and launched its "Operation launched Checkout."

Secondly, whatever happened over the past 22 months—and some companies adopted mistaken strategies—the industry is now more concerned at how it will cope with the problems the industry faces in the next

Undoubtedly, the major prob-lem the grocery industry faces is the static—and even falling demand for food.

"The low rate of growth in turers' Federation.

The IGD's market review, published today, also confirms Nielsen figures. Their market that "the percentage of total share has slumped from 42.5 expenditure devoted to food per cent to 33.1 per cent.

# The Grocery Industry

The major problem now facing the grocery industry is the static demand for food, with the result that the price war in Britain's High Streets is becoming even fiercer. This development will be among key issues being discussed at today's annual conference of the Institute of Grocery Distribution.

appears to have reverted to the long-term trend of steady decline.

"It is clear," the IGD adds. that during 1978 the durable goods sector reaped the greatest benefit from enhanced incomes, followed by the 'other services' category. It is perhaps of significance that in the last reported quarter this category (which includes such items as entertainment and recreation) exceeded food in terms of the percentage of total

"In other words, based on Central Statistical Office categories, in the third quarter of 1978 food was, for the first time, no longer the largest item of consumer expenditure."

### Limited

It is clear that if volume growth in food is limited, then the competition for a share of that market becomes even more

"The price war in the High Street is a direct result of the low rate of growth in food sales," says Mr. Hornby, "the large multiples are thus com-pelled to try to improve their own market shares."

happened throughout the 1970s, according to statistics produced by the Nielsen market research company. The multiples share of grocers' sales has risen from food sales is so low as to be almost invisible at times."
points out Mr. Derrick Hornby, points of the Food Manufacture of the Food Manufacture of the food manufacture of the independent grocers who is the independent grocers who have lost out, according to the

The multiples' marketing strategy is simple, and if it succeeds, is completely effective. The theory is that by cutting prices (and therefore profit margins, as well) the multiple can generate sufficient extra volume sales in the short term

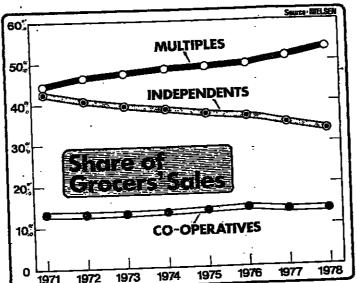
to at least cover the lost profits. But in the longer-term, if the extra volume can be maintained after the initial price-cutting offensive, then a return to more realistic prices and profit margins will mean substantially higher profits.

That, at least, is the theory. In practice, it does not always work out, especially if the pricecutting campaign does not succeed in generating extra salesor if these are lost once the price cuts finish.

But Tesco decided to take the plunge and start a price cam-paign in June. 1977. Its timing was a culmination of a number of factors, including a response to the high inflation rates of the mid-70s, the decision to drop stamps (using the money thus "saved" to make price cuts. instead) and the result of the evolution of a new breed of professional management within Tesco, keen to set a new image for the company And this is exactly what has and lay the foundations for the

> This, then, was the first phase of the price war and there seems little doubt that Tesco and J. Sainsbury have emerged as the winners.

Tesco's "Operation Checkout" campaign quickly led to a massive 40 per cent sales jump and boosted market share by an unprecedented 50 per cent, from around 8 to 12 per cent of the packaged grocery market, as



for

Following Tesco's initiative, the other supermarket multiples ught to enter the fray. But of these, only Sainsbury has emerged as a "victor" with the success of its "Discount 78" campaign which it is now con-Sainsbury allied its tinuing. traditional

quality and value for money extensive and publicised price euts in commodities. Within a few months of

reputation

account, its total share of the market is probably equal to that Sainsbury's interim financial results also showed sharp increases, with pre-tax profits by almost a quarter to £15.6m and sales turnover up by

more than 28 per cent. In the military terminology which seems to have entered the grocer's vocabulary, the short, sharp offensives launched by

represented a "blitzkrieg" on because the "victory" was the grocery market. Both Tesco achieved without irreparably and Sainsbury, by a combination of aggressive marketing, deep price-cutting, sound distribution, and efficient management, have pushed themselves to the front of the market and are determined to stay there.

warfare. With their higher volume the winners in the short-term sales they have also been able to maintain their grip on the the war in the High Streets will market and prevent any signifi-cant counter-offensives being

Sainsbury or Tesco campaigns. However gullible supermarket chiefs may expect the public to be, there is a limit to their wilngness to believe every claim to be the cheapest shop around. Tesco, Sainsbury and, to a certain extent, Asda, have been able to achieve such an image. which would be difficult to sup-

Thus, to all intents and purposes, Tesco and Sainsbury have won" the price war. But

consumer demand is growing and for which the profit margins are highest. The multiples are investigating almost every other retailing activity in the High Street to see if it can fit in with their food trading activities. Thus, Sainbury's has been leading the fight to sell branded cosmetics through its stores, and Tesco has been experimenting with holidays, gardening, and Do-It-Yourself among other pro-

to colour televisions for which

The crucial areas on which the continuing war will be fought, therefore, are how quickly large stores can be opened and how successfully a profitable product mix can be created.

The significance of the superstore to the multiples was shown by the fact that last year saw a rapid spate of openings. Tesco led the way with nine new superstores, Sainsbury with eight, Fine Fare with seven, and Asda with six.

Geographically, the major shift in the past 12 months has been the growing encroachment of Asda towards the south, while Sainsbury is slowly moving north.

Yet, while it is clear that the seemingly inexorable trend in grocery retailing is towards larger and larger stores, the grocery market in the 1980s is still likely to find a place for the numerous small, indepen-dent grocers. Market analysts believe that the grocery sector will polarise between the very large stores-popular with a more affluent and mobile shop-ping public and very small stores which will offer convenience instead of price competi-

The next decade will also be significant for the grocery industry for two other factors: One is the ability of the multiples to harness the new computerised electronic developments to improve manageinformation and store The major development for the 1980s will be the widespread introduction of laserscanning of grocery products at the checkmit, to provide a detailed bill for the customer and speedier information for

the manager The other major development, which could have as great an impact on the grocery market as trading stamps in the 1960s. is the rapidly growing introducthrough the expansion of selling tion of credit cards. The grocery industry is confident that when But not only do large stores the cashless society finally mean more sales of foodstuffs: comes, then the superstores and also mean that the supermarkets will be leading multiples can concentrate on non-foods ranging from clothes the way.

continue until well into the 1980s. The IGD reports that fought. Tesco and Sainsbury gross margins have been can afford to keep prices and margins at a low level since trimmed to their lowest level since its grocery profitability they have the volume to make it pay. Their rivals, without the same sales volume, find their "model" was first constructed in 1972-73, while net margins are back to the low point of margins and profitability under 1975-76. increasing pressure. "This is, of course, a direct result of the continued competi-No other chain now has the opportunity to launch another tion between the multiple chains Tesco-type operation, since 1972 1973 and confirms that, contrary to margins are already pared to some reports, there appears to the bone. International Stores, be no easing of the pressures." which last autumn abandoned January 1978, Sainsbury points out the IGD, in its latest monitored by AGB. Since then, the trading stamp franchises it share of the packaged grocery Tesco has not only held on to market review. picked up from Tesco, was able market jumped from around 8 this market share, but has conto make little headway with the per cent to about 10.5 per cent. tinued to increase it - it now While not as spectacular as £5m it switched from stamps to Superstores stands at around 13 per cent. Tesco's leap, it was still a price cuts. While prices will still remain But more importantly, Tesco remarkable achievement In addition, even if a major terms of the grocery market. Sainsbury's market share has since crept up to almost 11 per also succeeded in boosting its competitive, the real issue over multiple could afford another profits. The interim pre-tax profits of £13.8m in the current which the continuing High Street deep price-cutting operation now, it is doubtful if it would war will be fought clearly is financial year-up from £10.3m -were a record for a half year. cent and the company says that when fresh foods are taken into the battle for superstore have the same effect as the development The major multiples may not

launching its counter-offensive Tesco and Sainsbury virtually BRAND LEADER.

Like all fast moving packaged goods, the York Freightmaster is designed to protect its contents while conveying an image of quality and value for money. That's why the big names in groceries trunk their wares inside Freightmasters. Our customers have found they can cut operating costs by employing the brand leading frameless van. They can load more, more easily into the vast squared-off interior.

They can operate fork-lifts inside, thanks to 'I' beams at 12" centres. They can get two

metric pallets in side by side because of the ultra-slim walls.

And the combination of container-style double doors, 16 gauge aluminium walls and a one-piece, bow-tight aluminium roof keeps cargo safe from the elements. And pilferers.

- Add the options of tail lifts, side doors, Jo-Loda tracks and other special features and it can be seen how the Freightmaster adapts to any load pattern.

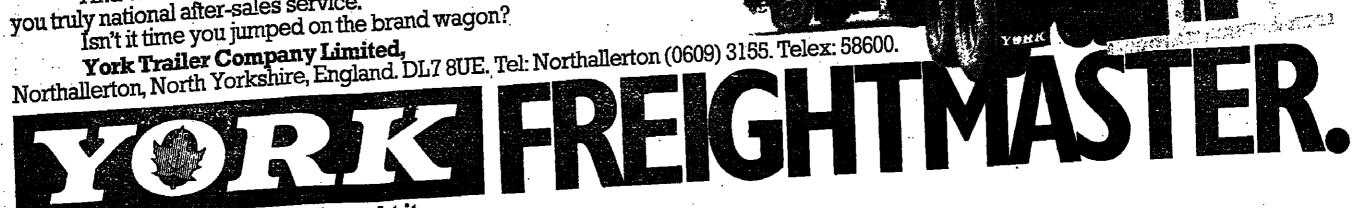
For those who have to operate part loaded, York offer the patented Hobo Mk II. A unique dual-purpose suspension which converts the tandem into a

patented riodo IVIK II. A unique quai-purpose suspension which converts the tanden single axle when required, saving both fuel and tyres.

And now yet another cost-cutting York innovation. Prestoleg, the automatic landing leg that's activated from the trailer's own air lines. The beauty of Prestoleg is that it lifts a full 12" at a flick of a switch. Another flick

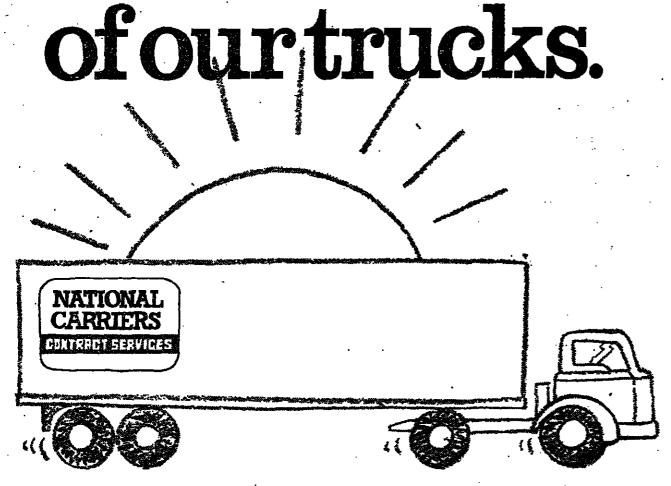
and it's down saving time and muscle. York offer more than a unique van. As we make everything ourselves, you deal with one principal. We don't pass the buck. And we have 13 strategically positioned factory branches to give you truly national after-sales service.

Isn't it time you jumped on the brand wagon?



If you've got it, a truck brought it.

### Kellogg's thinks the sun shines out supermarket the exception of International independent grocers were run- that the grocery retailing trade have been Stores, suffered a loss of trade ning virtually neck and neck- in the 1980s will polarise



To spread a little sunshine far and wide Kellogg's chose our Contract Services.

We supply them with a fleet of delivery vehicles that are specially designed to suit their needs.

They're painted in Kellogg's livery, but they're taxed, maintained, insured and, should a breakdown occur, immediately replaced by us.

In short, we give Kellogg's all the operational advantages of ownership with all the financial benefits of leasing.

Whatever the size of your concern, we can do the same for you.

ations with our full consultancy service.

a new fleet, or just one vehicle, get in touch with us at National Carriers and we'll tell you more about our Contract Services

We'll even help plan your delivery oper-If you like the idea of

### NATIONAL CARRIERS CONTRACT SERVI BRIANTEMPLAR NATIONAL CARRIERS LTD., NATIONAL CARRIERS HO! SE GROUP HEAD OFFICE 2 BISHOPS BRIDGE ROAD, LONDON W2 1, JR

### Why do Mace make commercials for all these companies?

PĜ

Brooke Bond Oxo

OXWe

ouse

General Foods

Spillers Foods, Brooke Bond Oxo, Colman Foods, Heinz, Beecham Foods, Nestlé, and General Foods. Because we are all partners for profit.

Unlike many groups we don't hide their products in our own store advertising with a cursory mention or at best a small illustration of the brand.

We boldy go out and make a 30-second television commercial around the brands of the sponsoring manufacturer: we print leaflets and window bills that utilise the brand's advertising themes and we tie-in the brands with our own promotional schemes.

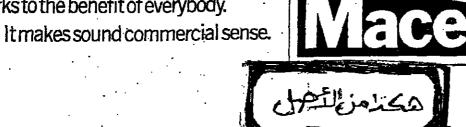
All-in-all we believe we give the best value £-for-£. And to drum up maximum support from our 4,000 retailers we hit the road with a multi-media sales

presentation. When you see how we've dramatically increased the sales of featured brands over the last nine months you'll agree that housewives know we give 'added value' too.

A period, we would add, that has seen us spend over

£500,000 on above and below the line activities. Our policy of 'partnership for profit'

works to the benefit of everybody.



# The dominance of the multiples

during the lorry drivers' strike.

Research carried out by the AGB company revealed that when the going was tough and food supplies were short, the housewife forgot all about price cuts and switched to convenience instead. Thus, in January the multiples share of the packaged grocery market fell to 62.5 per cent, a reversal of the trend for some time."

In November last year, the last full month of "normal" trading (ie, before Christmas and the haulage strike) the multiples had achieved a market share of 65.2 per cent according to AGB's figures.

The co-operatives and small independent stores benefited at the expense of the multiples during January, therefore, mainly because being small their shops were more readily accessible to the shopper. The bad weather and the pressure on supplies meant that all the, grocery world during the 1970s benefits of large store shopping -which have become increasingly more apparent throughout the 1970s—were wiped out almost overnight.

a sharp knock last January strikes. International, whose competitive position in a normal trading period is hampered because of the large number of small stores it operates, was therefore also able to benefit from the adverse conditions.

#### Recovery

But, not surprisingly, the return to more normal conditions during February saw a 9 per cent jump over the decade recovery of the multiples' —while the independents' share recovery of the multiples' —while the independents' share market share, to reach 64.5 per had steadily dropped to 33.1 per cent of the total market for packaged groceries sold through recognised grocery outlets.

The superiority of the multiple supermarket chains was re-established—but the events of last winter show. clearly that in the fast moving world of grocery retailing, nothing can be taken for

is apparently unstoppable in the about 70,000 long term. Statistics produced grocers—about ten times as by the Nielsen research commany as there are multiple pany show just how relentless grocers.

in January because of the with the multiples enjoying a between two extremes: large war for the past 22 months took effects of the weather and slight edge with 44.3 per cent supermarket and superstores, of the market and the indepen-dents 42.5 per cent. stores. The multiples firmly dents 42.5 per cent.

But over the following seven years, the multiples have gained ground largely at the expense of hence the large-scale investthe independents, with the ment programmes mounted co-operatives share remtining throughout the 70s by most fairly constant throughout.

Thus by 1978, according to the Nielsen figures, the multiples had increased their market share to reach 53.3 per cent—a cent, a fall of 9.4 per cent.

The reason for the multiples' growth has been simple: their shops are on average substantially much larger than those of the independents. And the name of the game now, with the fierce pressure on profit margins. is to secure as high a volume as possible while reducing over-

The benefit of size becomes But the multiples' relentless
march towards dominance of the even more clear when it is remembered that there are independent grocers-about ten times as

also meets a growing change in society. As more women go owning population

CONTINUED ON NEXT PAGE

### Independents in decline

grocery retailers are by far the and about 2 per cent of the to publicise promotions and most numerous — overwhelming market. Spar and Mace with promote own brand goods. most numerous — overwhelming the multiples by ten-to-one it is the independents who have lost the most from the High Street supermarket war.

The independents have lost not only market share to the multiples but small grocers have found it increasingly uneconomic to stay in business : some statistics suggest that as many as 19 small stores every week go out of business. Although proportionately more multiple chain stores have been closed in the past, this largely reflects the multiples' désire to close down small stores and open new super-

The new Tesco superstore at Pitsea, in Essex, for example, is 100 times the size of a 1,000 sq ft independent grocer -1,000 sq ft is considered large for an independent.

Yet, there are many in the trade who feel that the worst is over for the small grocer and that his share of the market will not only stabilise in the shortterm but is also more assured in the longer-term.

### Intensity

The problem the small, independent grocer has faced during the past few years of stiff competition is not unique and has been on the cards for the last two decades. The only difference now is the degree of intensity that the independent faces.

But the groups that have effects of the High Street war best have been the voluntary, or symbol, groups, such as Spar, Wavy Line and Mace These symbol groups account for about 10 per cent of the packaged grocery market, according to AGB figures, and packaged have some 21,000 stores in total. The more numerous independents have about a 9 per cent

The voluntary group concep is both fascinating and unusual. It was born in the Netherlands during the 1930s but the evolutionary process began in Britain in the mid-50s. The genesis lay in the fear on the part of independent wholesalers that in the post-rationing cra the fast growing multiple chains would price small retailers out of business. This, independent wholesaler of his

Grocery distribution was, in any case, fairly rudimentary in those days with retailers gain-ing none of the benefits of bulk buying. Around the country, therefore—and roughly at the same time-individual wholesalers began to offer loyalty inducements to their best retail Retaisers were invited to buy

everything they could from one wholesaler for an across the board discount of, say, 21 per cent. The incentives were given business but also for continuity. But from this two-tier system a three-tier system

gradually emerged—though in different ways in different groups. The wholesalers were the original prime movers but as they came together they that their operations central co-ordination. structures were superimposed on the wholesale and retail

By joining a voluntary group, the independent grocer receives the benefit of sources of finance for shop developments; advisory services: national advertising and special regional promotions: and a range of own-brand products for sale at lower prices. The main voluntary groups about 4,000 stores each, and Wavy Line with just under 2,000

The development of the VG chain was carried out under the umbrella of what today is Ranks Hovis McDougall. In 1955, a south coast wholesaler called Stewart, a subsidiary of McDougall, embarked on the voluntary group trail. Mr. Richard Branston, who is now managing director of Allied Grocery Distributors, the parent company of the VC operation, began by recruiting 17 retailers supplied by one of the company's four wholesale depots.

stores.

of RHM and the other wholesalers within the chain bad become part of the VG chain. But the operation was still regional and with the advent of commercial television in 1958 there was a premium on-a national network organised roughly by TV network areas.

VG Grocery Services, therefore, began a recruitment camof wholesalers on a national basis, giving suitable candidates the franchise to use the VG name. This paved the way for regional and national

ALTHOUGH INDEPENDENT are VG with some 3,300 stores television advertising campaigns put the small grocers' case in The voluntary groups now are

largely associated with a major wholesaler. Booker McConnell is the dominant supplier of Mace and the merger of Linfood and Wheatsheaf last year means that both Spar and VG now come under its influence. Linfood controls 50 per cent of Spar outlets and 70 per cent of

The trouble with the indepen-

dent grocers, however, is that their stores are simply too small to compete economically with larger supermarkets. The Insti-tute of Grocery Distribution's survey last year found that eight The following year all four out of 10 independent stores depots had switched to the were below 1,000 so ft in size. By then. Stewart was a part store size and build more superstores of more than 25,000 so ft

in size.

The voluntary groups acknowledge that very small shops are uneconomic to be run in competition with the multiple supermarkets. Some attempt is being made to increase some store sizes to offer greater competition-VG has a number of "Super VG's" under its wingbut the real future for the symand independent grocer must remain as the convenience

one of their recent circulars: "The small shop has strong defensive qualities against the pressures from the High Street competitors," the brokers say.

believe that their future lies

multiples, especially Tesco.

Sainsbury, Asda, Fine Fare, and

The reasons for the concen-

tration on size are both

economic and social. The overall static demand for food

and the competitive pressures

on operating costs and margins has meant that the key to

profitability lies in achieving a

higher volume of sales to com-

pensate for the low margins.

And the only way to achieve higher volume of sales, as well

as cutting operating costs and

take advantage of new distribu-

tion techniques, is to open large

In addition, the multiples

believe that large store shopping

in large store

the co-operatives.

"The owner-occupier usually runs the shop himself, with the help of his wife and one or two part-time assistants. He lives above the shop and probably. stays open later most evenings than his High Street competiors. He is probably open on a Sunday as well."

The independent and voluntary group grocery will always attract a certain, albeit small. percentage of shoppers who prefer to do their main shopping at a local store rather than go to a larger supermarket or by 1959 Branston had resigned around 8,000 sq ft and Sains of convenience; being there from Stewart to form VG bury's is 1,000 sq ft, but both when the consumer needs a Grucery Services, whose only groups and other multiples are small tiem and is more conasset was the VG trademark. rather than the price.

In the U.S., for example, convenience stores are fastest growing sector of the retailing trade. Although this reflects the years when the small grocer virtually disappeared from the U.S. scene, it does show that whatever the economic case for large store expansion, there should always be a place for the independent grocer-and one that is economically viable

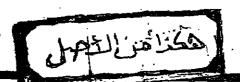
David Churchill



continue to seek expansion in:

### **TOWN CENTRES** DISTRICT CENTRES **EDGE OF TOWN SITES**

For information on development possibilities please contact;-J.D. Ridgway Director of Development Associated Dairies Ltd · Craven House · Kirkstall Road Leeds LS3 1JE or telephone 0532 40141



### Food manufacturers in the doldrums

FOR THOSE food manufaction) is often limited by their Federation, warned at the three big bakers each had to which have risen by about a furers who thought 1978 was a husbands' reluctance to pass on Federation's recent annual conoffer large discounts to secure quarter over the past two years.

The control of the contr squeezed between rising raw their pay rises. material and operating costs on one hand and Government price controls and a High Street price

director of the continuing pressures already mentioned manufacturers had to bear the brunt of the from both the weather and industrial relations point

ghe lorry drivers strike in

January brought sharply home the public the delicate balance on which the foed production chain operates in the UK in addition, the severe wintry weather also showed how the climate could-"at a stroke" cause food bills to soar as became vegetables virtually non-existent because of several degrees of frost. problem is likely to have repercussions inroughout the food 1970s. These now stand at about industry for the rest of this year and beyond, most likely which at around a company of the preventing the gradual around a company of the prevention of the pr reversing the gradual improvement in profitability of food manufacturers that had been noted towards the end of last

### **Dangers**

If that happens, as seems inevitable, then the profitability of Britain's food manufacturers panies for the introduction of will continue on the slippery slope and eventually become a reduce costs and improve dangerous slide (to quote the profitability. former Rood and Drink Indus- The depressed financial tries' Council chairman, Sir climate has arguably led to a Hector Laing, at a recent Press

The end result could be collapse of some companies and even whole sectors—followed by supply; and consumer choice is the inevitable rationalisations, higher imports, and probably higher than necessary prices for the consumer.

The basic problem for the food manufacturers is that apart from short-term fluctuations, the demand for processed foodstuffs food expenditure, the problem is virtually static and, to a is compounded by the pressures is virtually static and, to a certain extent, declining.

The steady rise in earnings manufacturers. over the past few years has not been matched by a corresponding increase in spending on food. Instead, the demand has been for consumer durables and the power of grocery retailers other non-food items. Food to finance the High Street price manufacturers point out that war by squeezing large discounts some housewives' ability to buy out of manufacturers.

Thus, in 1978, consumer 5.5 per cent in real terms. But congrues the other then 1979 while expenditure on clothing while expenditure on clothing increased by 9.6 per cent, and on consumer durables by as

> of food to show real growth is intense competition." that food manufacturers have traditionally relied on volume sales to compensate for low profit margins. With the volume growth, low margins become a financial mill-stone—as panies such as Spillers have found. It was only a year ago that Spillers decided to pull out of bread production because of the impossibility of making an adequate return from the low margins on bread in a market when demand has been falling.

The effect on food manufac-The effect of last winter's turers has been for a steady fall in profit margins throughout the were not considered adequate even then. The cumulative

effect of years of reduced profitability has meant a substantial cut-back in capital expenditure. There has been little new fixed investment: even machinery has not always been financial scope in many comnew more efficient machinery to

curtailment of innovation; stocks have been reduced to a bare minimum, with the consequent risk of interruption to reduced as very low profit margin items and " own-label ' business is scrapped.

But if the basic cause of the problems facing the food manufacturing industry has its roots in the lack of growth on real from.

These pressures fall into three main areas: increased raw material and operating costs; Government intervention; and Mr. Derrick Hornby, chairman

bad year-with companies being the cost of living element in ference: "I must say frankly to our retailer friends that manufacturers cannot afford any expenditure rose on average by longer to finance their price war. If they continue to press for large discounts, some manufacturing firms will go out of business or be taken over."

on consumer durables by an in the added: "The price war The stronger the blank ture on manufactured foods was in the High Street is a direct loyalty from consumers—for virtually static.

The price war The stronger the blank from consumers—for result of the low rate of growth baked beans, for example—then baked beans, for example—then

Mr. Hornby said that this meant that food manufacturers were unable to pass on in full the increased costs they faced, as well as facing large disfrom supermarkets. counts Food manufacturers in the past year. have usually been forced offer substantial discounts to "it is not easy to estimate the supermarkets in order to secure effect on the level of food production to stay profitable, the supermarkets' pressure, but With declining demand, there it must amount, in total, to a too much food chasing too substantial sum."

In the case of the bread indus- out that profitability is expense of the food industry try, the chronic excess capacity hampered by the rise in raw with little economic justificain the industry meant that the material and packaging costs tion.

sales—thus further making For example, last year's EEC and political influence designed production unprofitable. When price settlement increased the to hold down prices artificially are the exaggerated bleatings of selves cannot afford to launch Spillers finally decided to pull out, thus reducing the produc- by about 10 per cent. Tin plate cheaper prices for the contion capacity in the industry, prices rose in 1978 by 10.6 per sumer, while at the same time both the remaining two big cent. while glass container bakers each heavily cut their prices rose by 8.1 per cent. discounts to the supermarkets.

stronger the brand Problem the easier it is for the manufacturers to resist demands for bigger discounts, while at the same time maintaining sales spent on advertising food manufacturers' branded goods last

sufficiently high volume of manufacturers' profitability of The manufacturers also point

Hornby suggests that

Another major problem has been the effect of the UK's adjustment to the Common Agricultural Policy and the continuing differences between the UK and some other EEC memvolume. Hence the £100m-plus bers as to the CAP's future. Food manufacturers would like

> aimed at reducing high EEC prices and tackling the fundamental problems of surpluses. But without doubt the food manufacturers' anger is directed first and foremost at Government price controls, which they believe are a political device, carried out mainly at the

to see a more positive strategy

cost of many basic raw materials pursuing policies in other directions having precisely the industry of profits."

> The manufacturers' opposition is on two levels: price controls have blunted profit-ability by limiting necessary price rises; and they have had had the psychological effect in reducing confidence among managers in their ability to operate effectively. There is little doubt (and on this there remains some sympathy within the Price Commission) that the food industry has suffered more than most in recent years from price controls, mainly because food prices are such an electorally sensitive subject.

But it is also true that in spite of price controls, there has been little real effect on holding price rises down. Manufacturers, however, are

to satisfy the political aims of a wealthy industry, let me remind you of what was said a few years ago about motorcars, motor-cycles, and ball bearings, among other indusopposite effect, has starved tries," points out Sir Hector would almost certainly be

> He adds that these industries were assumed to be in unassailable positions in their markets. both at home and overseas, and were now in decline. "The consequences of ignoring their appeals and warnings are now history," he says.

Certainly, food manufac-turers can see some solutions. The Monopolies and Mergers Commission is currently reviewing the whole question of manufacturers' discounts may recommend legislation along the lines of that existing in the U.S. which would be of benefit to manufacturers. And while the fierce competition in the High Street is continuing, there seems little scope for a renewed outbreak of deep price-cutting that was initiated

Sir Hector Laing has warned: aware that the airing of their by Tesco and J. Sainsbury over "The continued bureaucratic problems may not be popular: the past few years, simply If it is felt that these claims because the supermarkets thema new offensive but must still continue with consolidating the present level of competition. And a Conservative victory in

this Thursday's General Election welcomed by food manufac turers as meaning a reduction in Government interference in their affairs.

But according to the latest industry report from the Food and Drink Industries Council, the forecast for the remainder of 1979 would appear to be bearish.

"Wage claims, together with the inflationary road haulage combined with settlement. mean that inflation rates in excess of 10 per cent will reappear," the report says. "The fortunes for the industry for 1979 are far from clear, but much is likely to depend on the trend of real incomes during the year."

### The multiples CONTINUED FROM PREVIOUS PAGE

Mr.

replaced and there is little the advantages of a large shop —then the company's profits market in the South of England counting as a defensive measure it is following a course that of their fragmented structure

But the multiples push to achieve large store outlets also laid the basis for the current price war. At its simplest, the strategy is that by cutting prices (and profit margins), sufficient extra sales can be generated in the short term at least to cover the lost probts and at least to produce some real volume growth. But, more importantly, if the extra volume of sales can be maintained after the initial price cutting offensive, then a return to more realistic profit margins will substantially higher profits,

At the same time increased volume (and thus increased market share in a relatively overall market) achieved at the expense of the company's competitors. The potential flaw to this

strategy is if the price cuts do not lead to sufficiently larger sales—which because of the spending more because of infla- of the Food Manufacturers' happen for a variety of reasons. to break into the lucrative tended to use limited range dis- gain from such a move. Instead, from the co-ops which because fickleness of the consumer can

once a week or fortnight or suffer and it has to struggle to (it has traditionally been even longer are clear.

That the multiples much to Many an ambitious market addition, it has sought to leader has floundered after the strengthen its non-food sales by failure of an aggressive pricecutting campaigu.

But Tesco's decision to spark off the latest price war, by dropping trading stamps in the summer of 1977, has certainly paid off with market share, sales volume, and profits all increased by record amounts. Sainsburys also has achieved record growth in sales, market share, and profits and it means that it and Tesco now dominates just under half the multiples share of the market Next, in terms of market

comes Asda, superstore Northern-based chain, operated by Associated Dairies. Asda has concentrated superstore exclusively development (it opens its 50th store tomorrow, in Scotland) and is the company that both Tesco and Sainsbury must fear most as being capable of upsetting their market dominance.

Asda is currently attempting

a merger with Allied Retailers,

the carpets and furniture group. Another leading discount chain is Kwik Save, but unlike Asda, the Kwik Save formula been based on phenomenon known as limited range discounting. This system involves the store concentrating on a small number of most often purchased grocery items - a range of up to 1,000 instead of the usual 4,000-5,000 items stocked in a supermarket-and then selling these as quickly as

possible at low prices. Limited range discounting stores are a quick alternative to superstore development since large increases in volume sales be achieved from a relatively small space.

Although Kwik Save has profited by the formula ever since the ubiquitious Mr. Albert Gubay founded the company in the 1960s, but most

against the large gains achieved by Tesco and Sainsbury as well as making small, uneconomic stores viable again.

Thus, Fine Farealso big in superstores—has a successful limited range dis-count operation called Shoppers Paradise. International also operates a chain of such stores under the Pricerite banner.

#### Chain

Tesco, which has Even scorned limited range discounting in Britain (preferring instead to close down small stores or try different retailing ideas, such as fast food shops) has recently acquired a limited range discounting chain in the Republic of Ireland. The chain, called "Three Guys," was established by Mr. Gubay of Kwik Save fame, who now apparently plans to take the U.S. equally by storm.

Tesco says it has no plans

at present to bring the "Three at present to oring the UK and about.

Guys" operation to the UK and about.

The largest multiple, apart other supermarket chains have indeed it would have little to

becomes too hot in Britain -namely, seeking overseas.

It is probably no coincidence that the three most successful (Tesco, Sainsbury, and Asda) are all able to without baving to seek the approval of a parent company. International example, which turned a £5.8m trading profit into a £5.3m trad-

over 4 per cent of the packaged grocery market, is owned by Associated British Foods. While it is virtually impos- make very small increases along sible to determine how far a parent company intervenes in for multiples. the running of its subsidiary, there must nevertheless be a certain degree of caution which companies such as Tesco and

the multinational tobacco com-

pany. And Fine Fare, with just

Sainsbury do not have to worry

others may eventually be forced are more a series of individual to adopt if the competition multiples than one nationally controlled multiple, in terms of growth grocery outlets but not in market share is Cavenham Foods' subsidiary includes Suppliers. Allied Liptons and Presto Stores and in total has just over 1,000 directly control their business outlets. But it still remains behind Assa in market share having about 5 per cent to Asda's 6 per cent

During the early stages of the price war it had been suggested ing loss within a year, is a in the grocery trade that one subsidiary of BAT Industries, or more of the larger multiple might collapse from the fierce competition. As yet none have gone, and most, in fact, have managed not only to hold onto their market share but als with the overall growth rate

Thus, assuming that BAS remains loyal to International there do not appear any likely casualties among the majo multiples from the High Street

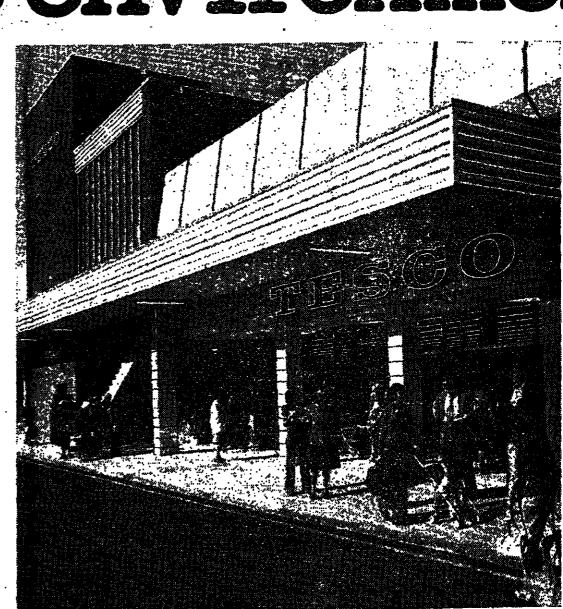
# Checkout how we share your concern for the environment

Tesco realises one very important fact of life: we all have to share the same environment. This very important, yet very simple fact, seems to have escaped most building developments in this country. And a building development that looks ugly to you, looks ugly to us.

That's why, in all new building projects, Tesco takes environmental factors into account. Factors like proper landscaping, tree-preservation and aesthetic considerations are all very important to ensure minimum disruption of the natural landscape.

This care with preserving the environment has led to us winning awards for the design and environmental integration of our latest out-of-town superstores in Pitsea near Basildon and High Wycombe.

And we would like to continue this success in both new in-town or out-of-town locations. We can help regenerate a town centre by attracting shoppers or, we can help avoid town congestion by planning an out-of-town site, (complete with its own car park). If you like the idea of a well-planned integrated Tesco store in your area, or if you know of land in your area suitable for a Tesco development, then please contact: Leslie Porter, Chairman, on Waltham Cross 32222 or Francis Krejsa, Tesco Group Property Director, on Waltham Cross 23666.





Checkout at TESCO Experience that makes a world of difference

### What's Instore?

INSTORE: is a computer simulation of competition between supermarkets

INSTORE: trains management teams for effective decision-

INSTORE: develops analytical and creative skills in a **Yolatile** market

INSTORE: invites you to discover its potential and join the National Competition starting in May

Please sand me more details about INSTORE and the National Competition entry form.

Send to: CMA, 66 Mount View Road, London N4

### Co-ops in strong position

of the last 20 months has even greater number—one in deposit bank and the ninth naturally gone to the super- two of all shoppers in the UK largest insurance society in the co-operative retail societies.

The co-ops account for some 18 per cent of the packaged market—the usual indicator of market share according to AGB's figures, cent and Sainsbury around 11 per cent. Admittedly, there are some 6,000 co-operative grocery outlets compared to Tesco's 600, but even so, the co-operatives are a force to be reckoned with in grocery retailing.

Moreover, the co-op movement is a force to be reckoned with by any means of accounting, as Sir Arthur Sugden, chief executive of the Co-Operative Wholesale Society made clear recently.

from the High Street price war has 11m members while an market multiples, it is worth -going into a co-op shop every making the point yet again that second week, and there are a

We are the largest retailing organisation in Western Europe. National Coal Board—and with a turnover in 1977 of amongst other things, we are £2.5bn. We employ over the nation's largest funeral 300,000 people. As grocers we contractor," he adds. while Tesco has some 13 per are four times the size of our

motor vehicles in the country

simple battle-weariness.

standing hypermarkets.

Reaction

negative reaction.

major superstore operators. Asda and Tesco are battling for

permission to build true, free-

London has been late on the

agenda of the big operators; one reason being the difficulty of

Asda, for instance, made an

attempt last year to build a superstore at Woolwich, but the plans were scrapped after a

local opinion survey conducted

by the council produced a

The group is now planning to

participate in a £10m redevelop-ment of Millwall Football Club's

"We also supply nearly one the largest single grocery total of 8,500 shops of many third of the nation's liquid retailer by far remains the different types and sizes," he milk; we sell coal and other solid fuel worth over £30m a year-second only to the

> The fact, however, that the Co-operative grocery retailing "We own the largest fleet of performance does not receive the same recognition as that for next to the Government (and Tesco and Sainsbury among they count their tanks and others is probably due to armoured cars). We have 150 several factors. One is that factories and processing points the image persists of the co-op at home and abroad, a travel as an old-fashioned grocery

Search for

superstore

sites

market sales techniques into the UK) which does not exude a dynamic appeal.

Another factor is that the co-operative lacks an aggressive centralised control of its grocery retailing operations: the 200 or so individual retail societies retain complete control of their own activities, although there has been a growing tendency to adopt a unified promotional campaign and marketing strategy. (But imagine what Sainsbury's per-formance would be like if each

plete autonomy.) In addition, the continual confusion and conflicting proposals over the future role and structure of the co-operative movement in the U.K. does little to create an image of a thrusting, dynamic retailer with a clear idea of where it is going and why (which is the image that Tesco has clearly implanted on the public's mind).

of its 200 plus stores had com-

As with most massive organisations, the response to chang-ing trading situations has always been fraught with problems. Thus, over the past three decades the co-operative saw newer, more aggressive retailers outpace the organisation which had originally been in the fore-front of the self-service con-

In addition, in the non-food area, these competitors had actively pursued the younger and more affluent customers. These groups have provided a large part of the volume growth in retailing but who; by and large, have failed so signifi-cantly to be attarted to the co-op's old-fashioned virtues.

On paper, the co-operatives remained attractive: after all, they were pledged to help the consumer and to plough back profits in the shoppers' interest. They also had a social role that set them apart from strictly profit-seeking supermarket chains.

But the co-ops increasingly found that their stores were too small and less attractive to those being developed by other supermarket multiples. And co-ops were not especially cheap places in which to shop, even when the dividend was taken into account. Shoppers also had to take the trouble to join before they could take advantage of the divi pay-

The turning point came in the. late 1960s when the Co-Opera- positive source, created out of

sional management, started to fully with its multiple store turn its attention to the retail- competitors.

1970s, the co-operatives concentrated on a massive facelift camfinance and the old small, out ance a £986,000 trading loss on lets closed down. In addition, a common co-op logo was adopted by most societies.

And, at the same time, a new concept was introduced for distributing the traditional dividend. Instead of the former credit to members' accounts, the co-ops switched to giving stamps to the value of the dividend on the amount spent.

This meant that for the ordinary shopper, the co-op became a trading stamp organisation in the same way as Tesco and others offered Green Shield trading stamps.

Although the dividend stamp has become seemingly old-fashioned following Tesco's spectacular abandoning of stamps and concentration on price cuts instead, the co-op's stamp has remained useful for two main reasons.

#### Efficient

In the first place, it is a fairly efficient means of distributing the dividend and shoppers are still aware that it is a distribution of the profits, or surplus.

Secondly, the dividend stamp system provides financial benefits to the co-ops as well, since most shoppers use books of stamps to buy goods from co-ops stores. In addition, the use of stamps also gives co-ops a cash flow benefit.

At the same time as these retailing changes, there took place a number of structural changes. In particular there has been a substantial reduction in the number of societies. From 700 or so societies in the late 1960s, there are now only just over 200 and the number is still

Many of the larger societies that have resulted have been brought about by forced manriages. Others have had a more

"The Co-operative Movement agency, and a chain of hotels, operation (belying the fact that tive Wholesale Society, having the realisation that larger units as 11m members while an We own the sixth biggest the co-operatives were among re-organised its own operations are essential if the co-operative ven greater number—one in deposit bank and the ninth the first to introduce super- under a new and more profess system is to compete success-

ing side of the business. Not In the last published accounts only did it set out to instil in of two of the big London socithe retail side of the movement eties—the Royal Arsenal and a sense of direction it obviously the London Co-op-the ravages had to follow if its trading for- of competition were apparent. tunes were to revive, but it also The Royal Arsenal reported a had the cash resources to net loss of almost £970,000 in finance the necessary develop-ments. the year to January 21, 1978, on sales figures of almost £124m, So, in the late 1960s and early as well as facing severe criti-970s, the co-operatives concencism from its shareholders. The rated on a massive facellit cam-landon Co-op was forced to sell aign. Big new supermarkets assets, including shares in Lonpaign. Big new supermarkets assets, including shares in Lonwere built with the aid of CWS don Weekend Trievision, to finsales of £207m.

At last year's Co-operative Congress at Scarborough a number of societies were criticised for not sticking to the financial disciplines expected of them. Some in the past have paid more out in dividends than they have made in surplus and have consequently run down their reserves.

At times during the three-day congress, these problems were highlighted by speakers from the platform who called for new initiatives by the Co-op's governing bodies.

But, ironically, the co-ops are probably now in their strongest position for a long time as grocery retailers. The co-ops appear to have developed a marketing strategy that encom-passes all possible develop-ments in the 1980s.

In the first place, the co-op movement is one of the biggest operators of superstores in the UK, thus giving it a significant stake in the future development of large store trading antici-pated throughout the next decade.

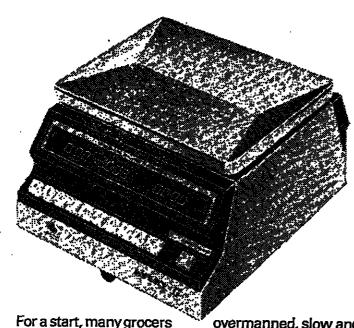
Secondly, the co-op has continned to upgrade its larger supermarkets—"Our 1,000 best supermarkets will compete with those of Tesco and Sains bury any day," says Mr. Barry Silverman, marketing manager of the CWS food division.

And, thirdly, the co-ops still have a large role to play in the small convenience store end of the market which is expected to remain.

The co-op has also hit back hard this year with a national promotional and advertising campaign which, for the first time, has been implemented on a regional basis—thus attempting to merge both the advantages of large size to the benefits of local trading.

D.C.

### The Grocery Business wouldn't be the same without the Avery 1750



would be a lot poorer-thousands of halfpennies and pennies poorer. Counter assistants would still be doubling, trebling and guesstimating prices—and getting

Shopkeepers would be doing sums on the backs of envelopes-and getting them wrong too. Shoppers would be standing around in queues-bridling with impatience. Prepacking units would be

overmanned, slow and inefficient

Things would be very different without the 1750. Which must be

Scandinavia, Australia, New Zealand and South America rely on its digital precision, speed and dependability to protect their profits, counter service and reputation.



Warley, West Midlands, B66 2LP, England. Tel: 021-558 1112/2161 A member of the Averys Limited Group of Companies

Our name is probably the only thing Food Brokers Limited have in common with other food brokers.

There's no comparison in our service. With over 450 trained personnel and an advanced computer complex we offer the most efficient service in the country. covering marketing, selling, distributing, merchandising, administration, cash collecting and accounting.

Major companies haven't been slow to recognise our talents. Our client list includes such leading brands as Green Giant, Babycham, Primula, Lift, Tic Tac, Bubble

Yum, Britvic, TCP, Kiwi, Revion and other great household names.

We are pleased to announce that we have recently been appointed as sole distributors for Maryland Cookies.

Lyons obviously know the difference between food brokers and Food Brokers Ltd.

If you want the best in food brokerage, come to the one that has the name for it.



Milburn, Copsem Lane, Esher, Surrey KT10 9EP.

There are food brokers and Food Brokers.

why tens of thousands of shopkeepers in Britain, Europe,

Why not join them? Write to us for a

ground in Lewisham. The scheme, which will also upgrade the sporting facilities, centres round a superstore of 79.000 sq. ft. (gross), with double-decker parking for 730 cars.

In order to find the space needed, the developers would have to buy in the adjoining former New Cross greyhound stadium. That is owned by Lewisham Council which opposed to increased traffic in the area but might be tempted by the injection of new shopping facilities in an area which has been steadil losing them. On the other side of London,

Tesco is still battling, with the backing of British Rail, for a hypermarket on a site behind Wembley Stadium. The plans have already been turned down once and have now been revised to cover a more modest 8 acres

If it succeeds, this would be Tesco's first superstore in London—but not its first in the South East. In recent months it has opened an \$2,000 sq. ft. unit at Pitsea in Essex. One of the new generation of super-stores it includes "stores within a store," including a travel agent, a process well established in France Belgium, countries which first established this pattern of

shopping. It has now become apparent that London is the main target for superstore operators and in response to this the GLC recently carried out a major study of the impact such stores would have on London.

The committee undertaking the study reported to the council last October when even by the more modest criterion applied (that the stores should have a sales area of 25,000 sq ft or more) only four had been established in the city.

The report opened by voicing concern over the impact on established shopping areas of large - scale car - orientated developments outside existing out the country, local planners centres" and laid down as a general guideline that stores on green field sites on the periphery of London should be

That principle will probably not greatly concern the main superstore operators which, if they plant to be in London, are generally looking for more central sites.

However, the council also lays down that in the main it prefers to see large new stores sited in existing centres and that could give local authorities the muscle to turn down applications for sites which are not immediately located round the High Streets.

These are the two major location factors. Other issues which will then assume prominence include: traffic generation with regard to the existing road network: car parking requirements: services for pedestrian shoppers or those who come by bus; the employment potential;

THE HYPERMARKET battle general environmental prob-has been raging in Britain for a lems; and planning gain. full decade without real signs Of prime importance among

yet either of a treaty between the factors will be the likely the protagonists or even of impact on the established pattern of shopping in existing For the past year the main centres particularly where theatre of war has transferred these have been designated to London where two of the among the 28 strategic centres. The report does warn that

there is only scanty evidence to support fears that hyper-markets blight neighbouring shops, and what little evidence there is suggests that this detrimental impact is limited to smaller supermarkets in nearby centres.

finding and preparing the sort of site needed for a 50,000 sq ft In fact, a major study of such store with ground level parking adjacent. impact has been carried out for the past five years by Mr. Michael Lee, the economist at London surveyors, Donaldson. Those which are now begin-ning to penetrate London in search of such sites are also Mr. Lee has regularly finding the planning stage fraught with antagonism from local planners.

monitored the impact of the Caerphilly hypermarket run by Carrefour on the neighbouring town of Caerphilly in South Wales. His latest report suggests that in many respects the town is stronger than before the store opened.

Since the store opened in 1972, Caerphilly town centre has lost some retail traders but the service sector has grown bringing more shop premises into use and reducing the number of vacant premises.

Over the period, the main impact was on the hypermarket itself which lost a considerable proportion of its more distant customers with the establishment of no fewer than two 50,000 so ft Asdas in the region plus two other stores, one of 75,000 sq ft and one of 30,000 sq ft.
In the last 18 months or so,

the hypermarket has also suffered from the strength of the High Street supermarkets price war, which has eroded the attractions of the hypermarket prices, once billed as a steady 15 per cent below those in the High Street. The entire sector has been

suffering from this problem, of course, and figures emerging from the main operators suggest a flat 1978 with recovery only just beginning to show through. Nonetheless, this has not inclined the major firms to reduce or withdraw from their building programmes.

### Increase

There are now 171 such stores-the latest is located at with a sales space in excess of 25,000 sq ft. In 1978, 36 new stores were opened and another 60 have won their planning permission.

International example, now has eight super-stores, the latest is located at 1980, the group plans a further 12. J. Sainsbury and British Home Stores seem pleased with the early results from their 76,000 sq ft unit at Hempstead planned under the joint Sava-centre banner-which will provide a further 153,000 sq ft.

But none of the operators pretend that it is easy to find the sites, and it is still well nigh impossible to win local planning permission without a long battle.

Despite the number of such stores which now exist through are still deeply reluctant to give the go-ahead to a development which they fear may disrupt the existing local retail pattern. Curiously enough, that fear seems to have evaporated to a

large degree at the higher pianning levels. According to Mr. Lee, who has monitored all superstore planning applications for the past seven or eight years, the top level of planners—up to

Peter Shore, the Secretary

State-appear to have

become much more reconciled

to hypermarkets in the past couple of years. Even where they have been opposed by the local council, hypermarkets are now receiving their permissions after public inquiries conducted by Department of Environment inspectors. Since 1976, Mr. Shore has not reversed a single permission recommended by

his Inspectorate. Christine Moir

# could give you 4,000 outlets for the cost of

Spar is Britain's largest voluntary group. And the largest in Europe. In Britain alone we can promise you 4,000 outlets. But thanks to our highly efficient network of 19 wholesalers we can save you the cost of multiple store drops. And the hassle of in-store merchandising assistance. You'll be getting distribution and volume; the best of both worlds.

### CUSTOMERS, TOO, GET THE BEST OF BOTH WORLDS

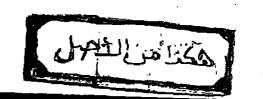
At every one of our 4,000 shops-aroundthe-corner, they are friends and neighbours getting individual treatment and good keen prices.

And everytime they buy one of Spar's 450 own brands they are enjoying the expertise and vigilance of a central team who mastermind the range and overall marketing strategy.

Spar's dual personality, local and national,

means volume and profits. And isn't that what we're all after?





### Changing patterns in distribution

GROCERY DISTRIBUTION in of the costs and problems of complaint. This has led to retailer. SPD, for example, ted to the Institute, last direction. The grocery distribution studies on the problems of operates more than 600 vans November. Britain continues to be in a state distribution. consolidation - together with n other factors such as rising transport costs have led to a systems.

Events such as the lorry drivers dispute last winter have focused greater public attention on physical distribution and underlined the industry's dependence on road transport.

In tonnage terms the food, to drink and tobacco sector forms a growing proportion of the goods moved in the UK. In 1976, the sector accounted for 17.6 per cent of the total tonnage moved in Britain and was second only to minerals. More than 99 per cent of this 306m tonnes of food was carried by road.

The short-life nature of many foodstuffs, together with the growing emphasis on speed and economy, has meant that the grocer: trade has become more dependent than most on reliable distribution systems and, in some instances, on direct factory-to-store deliveries.

chain store grocery retailerslargely at the expense of the smaller independent retailerhas led to a change in the halance of power between retailers and suppliers with the retailers taking more and more of the responsibility for distribution.

Centralised distribution systems have facilitated growing consolidation, permitted greater control over the movement of foods and led to innovations in the use of computers and automation, bulk handling, standard-

ivation and communications, This shift away from the more traditional distribution systems has led the professional distriphillion companies to seek specialised roles providing a total service package to the customer. Despite the greater recogni-tion of the importance of distribution systems to retailing one of the central complaints voiced by the professional distribution Nevertheless, problems enter The advantages of the spe-companies and others is that "countered by suppliers" and cialised professional distribu-

m of retailing leading to greater difficult to establish the true costs of distribution in the grocery trade. Figures quoted by the Institute of Grocery greater recognition of the Distribution in a series of case importance of distribution studies published last month, systems, systems, The grocery trade is respon- accounts for 16 per cent of total sible for about two-thirds of the retail turnover. This would is food sales in Britain together suggest that the cost to the with an increasing range of non-grocery trade could be about foods.

Last year about £18bn was There are, however, wine variations in the estimates of distribution costs within the industry. Some of these varia-tions are undoubtably attributable to the use of different distribution methods and, in some instances, to economies of

### Trend

The search for economies of scale has led most multiple groups and co-operative societies to develop centralised physical distribution systems, a trend which is likely to continue

In 1967, the then Super-market Association estimated that 60 per cent of all manufacturers' grocery deliveries were made to retailers' own depots, the remaining 40 per cent being delivered direct to branches.
This figure has probably

increased in recent years with actory to store deliveries. the continuing growth of The growth of the major multiples and in 1976 it was estimated that 65 to 70 per cent of grocery stock passes through a centralised warehouse system provided either by a whole-saler, retailer or professional

However. multiples, particularly Asda Stores and Carrefour, operate outlets sufficiently large to justify complete direct delivery and have no depots of their own.

The fact that the multiples now control more than 50 per cent of total grocery turnover. with Sainsbury and Tesco together accounting for almost 25 per cent of the packaged grocery market, has—and will continue to have—a major impact on distribution trends.

At the same time, the growth in the size of stores has eased some of the problems of congestion, delays and delivery restrictions associated with some of the smaller shops.

studies on the problems of operates more than 600 vans delivery by such bodies as the Lorries and the Environment more than 125,000 outlets. Committee which, in a report published in March, recom-

The committee said that over-

Top of the list of possible trol. cost savings comes the eliminination of queueing to deliver— this, it is claimed, would save 12.25 per cent followed by better access and shop design and managing director of Cory gerous to suggest that all these the use of larger vehicles (11.25 distribution in a paper present factors are pulling in the same cost savings).

Greater use of consolidation defined as combining products for delivery) could reduce distribution costs by up to 50 per cent. This might be achieved by the increased use of retailer distribution depots, parcel deliveries and professional distribution services and by cooperation between manufac-

12 per cent of the remainder. Manufacturers' vehicles account for 27 per cent of total deliveries, but make smaller drops per delivery.

Smaller capital investment in transport, economies of scale and a time lag before cost increases were passed on were suggested as the advantages of consolidation. Disadvantages, including the loss of direct control of delivery, could be over-come by internal reorganisation or buying specialised services for an increasingly lower pro-from a distribution company, portion of the total volume of The committee's findings will be welcome to the professional In 1961, there were 116.336 distributors such as SPD, part independent grocers in Britain. of the Anglo-Dutch Unilever out of a total of 150,000. By who have been fighting hard to retain their share of the grocery. distribution trade against other distribution trade against other then, estimates put the decline operators and own account at 78,000 in 1975 and less than systems. In particular, the committee said that there "appeared to be opportunities" for many more manufacturers to use distribution companies for at least part of their deliveries.

many process companies still do professional carriers in deliver- tion company lies in its ability not have a real understanding ing to stores remains a common to provide a full service to the business.

substantial proportion of dis-involving for example computer-tribution costs." run accounting and stock con-

> changes in the distribution gence of limited-line discount system were analysed in some stores. detail by Mr. H. Smeeton, managing director of Cory

mends the increased use of SPD has diversified providing branded goods—as one factor greater use of depot consilida-consolidation to improve load a series of specialist services leading to a growth in direct tion and in some cases for and a full integrated distribu- deliveries to multiple retailers direct distribution. tion package to customers but to an increased use of concoming problems at the point including a range of manage- solidation by the smaller stores, or the hire and reward operator of delivery would "save a ment and sales support systems. Other factors affecting the is used for this operation will choice of a distribution system include the growth of the nonfood sector in supermarkets, ability of the system to indus-The factors now affecting the palletised loads and the emer-trial disruption, the need to

tion system is complex and subfrom 30 depots and delivers to more than 125,000 outlets.

In response to the pressure which do not need to travel the on its traditional grocery base, same distribution route as tend to support the need for the providing branched growth on factor and support the need for the large multiple would be a diversified providing branched growth.

> Whether own-account vehicles depend on a second range of variables including the vulnerrelease capital from transport fleets for other uses such as It would, however, be dan- store development and the imgerous to suggest that all these portance attached to vertical

**Environmental** urban congestion and store attention. access also have an impact on the distribution system chosen. The fale of the grocery distri- the future will ultimatel

tied in with that of the road haulage industry as a whole. Higher oil prices and flerce the relationship betwee competition have forced the retailers and manufacturers, industry to face up to low profit margins-identified in the Price Commission report last year. While the Commission's contention that there is room increased efficiency is not one shared by the industry, the political sensitivity of lood prices—and therefore the costs of distribution-is likely to ensure the

problems, issue continues to comman

grocery distribution system i bution network is also closely depend on a wide range of relationship betwee

However, because of th differing requirements of retailers, it is likely that ther will be a need for a mix of systems and a continued, per operating haps strengthened, role for the specialist professional carrie alongside own-account vehicle and other operators.

Paul Taylor

### Wholesalers face more mergers

THE RACE began in the late efficiency which meant closing The latest takeover merging fifties, sped through the sixties old, inconveniently-sited ware. Linfood and Wheatsheaf representations and the biggers to determine the control of the biggers The committee, investigating to be-the fluishing line in the new single-storey depots and consolidation, found that 46 per mid-seventies. The wholesale using new technology and consolidation, found that 46 per mio-sevenues. The wholesale using new trembody and are worth from covering a might certain areas.

cent of the value of deliveries grocery industry, however, still mechanical-handling equipment, broad range of activities such as Many of the voluntary or were made in retailers' own faces further mergers and Even so, wholesale grocery is independent grocer supplies, symbol groups as they are supplied internal actions and account of the voluntary or were made in retailers' own faces further mergers and Even so, wholesale grocery is independent grocer supplies, symbol groups as they are rationalisation—as the Wheat- a high volume/low margin busitribution service companies and sheaf takeover by Linfood last ness. Since 1976 margins have parcel operators accounting for year indicated, when the prices been squeezed considerably and war in the High Street drew the many groups are now operating stamps by Tesco last June and links between smaller grocers on a net profit of less than 1 per the cutting of marsing had even closer together.

The pare has now slowed down, however, and the future will see few, albeit large

Wholesale grocers have been hit, not only by the growth of supermarkets, the price war between the multiples and a switch in allegiance of shoppers. The small grocer, a traditional outlet for wholesalers, accounts grocery sales.

Group, and Cory distribution 1966, the number had fallen to 96,451 and while there have been no official figures since 76.000 last year. Independent operators have thus seen their market share of the grocery industry fall from 54 per cent in the 1950s to 36 per cent. Wholesalers retaliated by

moving into non-food lines, spreading their expertise into the cash and carry and catering

The Co-op Regional Distribution

Centres offer manufacturers

major cost savings.

12.60

and closed in—what appeared houses, building and extending sents one of the biggest to date to be—the fluishing line in the new single-storey depots and —worth £34m. Together sales

cent of turnover.

During 1975, several companies disappeared as separate entities, either following their acquisitions by another, or following a merger.

Budgett was the largest with 537,000 sq ft of warehouse space —sold by Barker and Dobson to Warriner and Mason.

Oriel Foods took on a number of wholesaling operations including Carryway, Morris and James, and A. B. Gibson.

Part of the reason for the dis-

appearance of these firms has been the investment by outside interests. Booker McConnell, an international company with multifarious interests entered the food industry as part of its diversification programme. It took over Alfred Button.

Gardners (Bristol), Arthur Richardson and James Harper and integrated them in mid-1975 into one wholesale operation called Booker Belmont. RCA is Oriel's parent company while International Stores, part of although achieved to the cost
BAT took-on Kexrley and of margins. Wholesalers operat-Tonge. Warriner and Mason is ing in different parts of the They improved part of Gallaher's operations.

are worth £753m covering a broad range of activities such as eash and carry, catering supplies and retail.

The dropping of trading the cutting of margins had forced a change in customer loyalties. Tesco and Sainsbury have increased their combined market share of the packaged grocery market by around 5 per cent taking £300m of sales away from other grocers. It has been the thousands of smaller grocers that have fared worst.

### Link-ups

Even without 1977's marked increase in price competition mergers of the big wholesale groups would most probably have occurred anyway. Wholesale link-ups and the formation of voluntary groups have formed a major part of the industry's growth in the last 20

Apart from independents which either receive goods through cash and carry operations or by delivery, voluntary groups one of the more viable effective means of competing with the major multiplesof margins. Wholesalers operatcountry got together in com- cash and carry line does not

like retailers, retained their independence while co-operat-

called, interact with cash and wholesaling operations. voluntary groups sell over 10 per cent of groceries in this country. Spar alone with nearly 4,000 outlets has per cent of the market while VG with just over 3,000 outlets has 2 per cent. Cash and carry groups were

by-products of diversification in the sixties. Around four-fifths of Britain's around 600 cash and carry depots are owned by the 14 biggest operators or their member companies and they account for about 90 per cent of all cash and carry turnover-estimated last year at

These major operators divide into three categories: cash and group affiliations, cash and carry groups without voluntary links and independent multiple voluntary-linked

group, Trademarkets (VG), Keencost (Mace) and Value Centre (Spar) are among the biggest. Before Kearley and Tonge took over Capital's biggest. Alliance business, Capital was the largest, with £320m sales in 1977 The number of depots in the

panies which co-ordinated at necessarily mean greater turn least part of the buying. They, over. Keencost has around 100 depots but the lowest sales per depot at an average of £2n pushed sales per depot above the national average to £3.72m Makro emerges as the clear half depots operating last year its average sales per depo amount to £28.8m.

Makro, the Dutch-based cash and carry group (preferring the word self-service to cash and carry), is one of the bigges after Nurdin and Peacock. Sales last year rose by 32 per cent to £178m from the £134m the pre vious year. The group claims its share of

the cash and carry business has risen from 7.5 per cent in 1977 to over 9 per cent. Its ware houses can stock up to 25.000 different lines and have park ing for up 1,000 cars. Expansion in the past year included a new later this year a 20,000 sq ft extension to the group's New castle centre will be opened bringing total floor space to

Cash-and-carry centres—par-ticularly the bigger ones—have diversified into non-food lines. About half of Makro's sales are in non-foods. Most consider that a minimum of 2.500 sq ft for non-food is essential and that a suitable depot must have high food turnover and traffic flow. Coleen Toomey

### IN ONE CO-OP PROMOTION YOU CAN REACH HALF OF BRITAIN'S HOUSEWIVES

FOOD TRADE MOVING ANNUAL SHARES

TO END JANUARY 1979

1977

CO-OP

MULTIPLES

#### Britain's Biggest Food Retailer

The Co-op is Britain's biggest food retailer by a long way. Food sales were £2,340.4 m last year, up from £2,128.3m in 1977 (Department of Industry Figures). No other grocery group can give you that.

The Co-op accounts for almost 18% of packaged grocery sales. No other grocery group can give you that. And at a time when others are proudly claiming a 13% national share, the Co-op exceeds that level even in its weakest area.

There are over 7,000 Co-op

food shops all over Britain. No other food retailer can give you so many shops, such national coverage, such access to so many customers.

#### Those are the Facts. Some of the Facts

There are more. Such as the fact that younger housewives are shopping at the Co-op. Nearly half of all housewives between 25 and 35 to be more precise.

The Co-op can offer food manufacturers more younger shoppers than ary other grocery

The Co-or can offer more ABCI shoppers than any other

grocery group. The Co-op can offer more children, more dog owners, more ..., well, just more of so many customers than any other food

The Co-op likes to promote national brands. So through the Co-op manufacturers get the lion's share of Britain's biggest food sales.

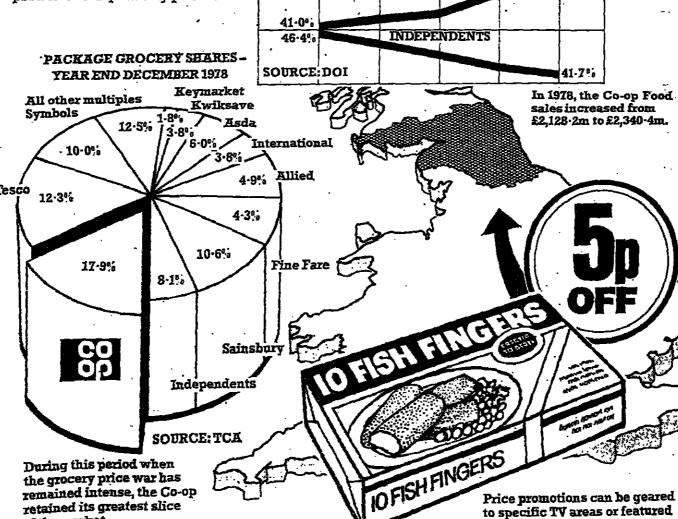
#### National Promotions -Regionally Implemented

Your brand can be backed by national advertising programmes which penetrate into every part of Britain. National advertising which is regionally implemented in a more clearly defined, sophisti-

cated way than ever before. Price promotions can be programmed in specific TV. areas or geared to local press advertising. Localised activity, especially in the printed media, has emerged from several shopping studies as the consumer's first choice when seeking guidance on current grocery offers or new product -== launches. A Co-op promotion is a natural for national support, exploiting regional strengths or correcting weaknesses of existing products.

Food manufacturers get more than sales volume with the Co-op. They get the biggest single national or regional sampling opportunity. So manufacturers can maximise the effectiveness of their own advertising activity by linking it to a Co-op promotion, reaching at least 50% of housewives at a time when their product is competitively priced.

of the market.



#### Your Brand in every shop type

The Co-op uniquely offers distribution and promotional opportunities for your brand in every kind of shop - from the handy corner shop to the giant supermarket Shoppers are crowding into Co-op Superstores and Supermarkets - already there are over 70 Co-op stores operating to a Superstore price structure and there are more on the way. The year end will see about 80 Superstores forming a national network and plans are to double the number over the next 5 years.

Alongside Superstore development Co-ops are enlarging and modernising so that the 1,000 larger shops already do a major share of the national trade in packaged groceries on a national scale. Smaller Co-ops serve local and daily needs. The Co-op really does have it all to offer

#### Cost-Effective Distribution

Think of the soaring costs of a mechanised fleet... the soaring cost of petrol; the soaring cost of property; the soaring cost of sales staff; the soaring cost of labour: the soaring cost of maintenance; then think about the Co-op distribution service, increasingly now based on Regional Distribution Centres. RDCs mean big savings in distribution. Co-op Regional Distribution

Centres are strategically placed, highly efficient, computer controlled modern warehouses which enable manufacturers to make bulk deliveries to the minimum number of receiving points. Individual shop distribution is then undertaken by the RDCs. Manufacturers therefore benefit considerably from simplified administration and improved cost efficiency.

There are 18 RDCs throughout the country which today serve Retail Societies accounting for 50% of total Co-op trade and 60% by this year end.

#### Everybody's kind of shop

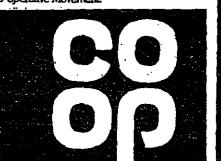
Shopping habits are changing. Shoppers are shopping less often. They fill their freezers and store cupboards with bulk purchases. So they need the large shops. But then they need to top up their supplies day to day. They need the neighbourhood shops.

So the Co-op meets their needs in every way, from Superstores, Supermarkets, medium size shops to smaller local shops.

Co-op customers know they get a share in Co-op profits, a little something back for their spending whether through dividends, stamps or attractive prices.

Shoppers care about Co-ops because Co-ops care about .

An announcement by the Co-operative Wholesale Society on behalf of the Co-operative Movement.



Your caring sharing Co-op

in local press advertising.

Amel Cadinary Schips. Jan. Carr's Milling...

FOOD, GROCERIES-Cont.

🏛 Pantheon Securities Group Ltd

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Undated

INTERNATIONAL BANK 15A | 5pc Stock '77-82 ..... 84 | 16.1 | 5.95 | 10.87 **CORPORATION LOANS** 

22A Exch. 121 pc 1994 .... 17N Treasury 9 oc 94tt ....

Stock

13Ni Lectric 3 apr. 76-79 35 Treasury 90-1990th 15M Treasury 9-20c 70-50 15M Treasury 9-20c 70-50 15M Exchequer 13nc 1960th 15M Treasury 113pc 1961th 15A Treasury 9-30c 1979-81 1AT Treasury 9-30c 1979-81 1AT Treasury 9-30c 1979-81 1AT Treasury 9-30c 1979-81

INFORMATION SERVICE SHARE

Stock Price of Net C'er Gr's P/E

Do. 'A' 50.

BONDS & RAILS-Cont. | Stock | Color | Colo **AMERICANS** £ 1 Gress C'er Gr's Apr. Oct. ASA.
September AMF 5% Conv. 87...
Ma\_lu.Se.De.
Ja.Ap.Jy.O. American Express.
F. My.Au.N. Amer. Medic. Int.
December Asarco Inc.
No.Fe.Ma.Au. Baker Inth. Corp. 51
Mr.Ju. S.P. Berndix Corp. 55
M.Je. S.O. Bett. Steel \$B.
Ja.Ao.Jv.O. Brown Fer. c165;

82 51.00 1/2 52.70 3.4 51.80 7.3 60: 82 40: 82 40: 53.1 44: 44: 21.0 53 53.00 1.3 50: 21.3 50 Oct. Gen. Elect. \$29<sub>2</sub>...
D. Gillette \$1...
D. Honeynell \$1.50...
D. Landernell \$1.50...
D. Landernell \$1.50...
D. Landernell \$1.50...
D. Landernell \$1.50...
D. landersall-R \$2...
D. landersall-R \$2...

Del. I.B. M. Corp. S5 ...
J. Ingersoli-F S2 ...
J. U. Internationall:
Kaiser Al. 51:
Mari, Han. US\$7:30
Morgan (AP) US\$2:5
Morgan (AP) US\$2:5
Morgan (AP) US\$2:5
Reliance S0:25
Reliance S0:25
Reliance S0:25
Respond S5
Retindsn.-MrriLS14
Saul (B. F.) \$1
Shell Oll \$3
Shell S10
Sherry Raad \$0:50
TRW Inc. \$13
Shell S10
Sherry Raad \$0:50
TRW Inc. \$13
Shell S10
Sherry Raad \$0:50
TRW Inc. \$13
Shell S10
S 174 18 52 0 152 80 21 51 3 Woolworths \$312. Xerox Corp. \$1.... Zapata Corp. 25c.

**CANADIANS** Mr.Je.S.D. Imperial Oili ... \$21, Mr.Je.S.D. Imperial Oili ... Jan.Ag.J.O. Inco .... F.My.Au.N. Ini. Nat. Gas \$1, Mr.Je.S.D. Massey Ferg.I... Place Gas \$1, June Decirin Alans 127 212 \$120 - 3.9 Jan. 105 26.6 \$1.16 - 4.6 Nov. J.Ap.Jy.O. Trans Can. Pipe ... S.E. List Premium 254% (based on \$2.3486 per 5)

BANKS AND HIRE PURCHASE Price SI Ret C'er Gr's P/E Feld Stack

Jan. July ANZ SA1

Apr. July Alexanders D. £1

May Aug. Algemene F1,100

Oct. Apr. Allien Harvey £1

Dec. June Antiled Irish

Dec. June Articel Irish

Dec. June Articel Irish

July Jan. Blk. Ireland £1

Aug. Feb. Bk. Leurni £1

Aug. Bk. Leurni £1

Aug. Feb. Bk. Leurni £1

Aug. Feb. Bk. Leurni £1

Jan. July Brown Shipler £1

Jan. July Brown Shipler £1

Jan. July Cazler Ryder £1

Jan. July Cazler Ryder £1

May Nev. Cilve Dis nt 20p

Feb. Sept. Com' 14s. (\$A1)

Nov. April Carle Ryder £1

Cred. France F75

Jan. Apr. Dawes £6. R.)

Dawes £6. R.)

Leg. Barthard Nov. Grobs £4.

Mar. Aug. Gillett Bros. £1

June Nov. Grobs £A.

April Gerindiays

April Gerindiays

Dec. July Hambros

Dec. July Hambros

Dec. July Hambros

Dec. July Hill Sarpuel

Do. Warrants. LOANS
Public Board and Ind.

LIJAgric Mt. 50c 59-89

10 JAIGAN 101-90c 89-94

10 JAIGAN 101-90c 89-94

10 JUSAM, C. 90c 1982

10 JUSAM, C Financial (1975) 100 (1987) 100 ( 21 12.68 11.36 9.413.90 — 2011 13.03 11.84 122 6.49 10.80 23.4 7.73 10.90 11.12 10.98 11.50 11.12 11.58 11.90 11.12 12.13 12.30 2711 10.85 12.30 12.210.82 12.00 22.11.39 12.00 22.11.39 12.00 

10212 10131 10712 8512 80321 99 9812 10012 794 794 77 FOREIGN BONDS & RAILS Last Hir % Red. Proce £ 22 | 8771 40 | 13.11 98 | 2.10

FINANCIAL TIMES PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4P 4BY Telex: Editorial 886341/2, 883897. Advertisements: 885033. Telegrams: Finantimo, London. Telephone: 01-248 8000.

Frankfurt Office: The Financial Times (Europe) Ltd., Frankerallee 68-72, 6000 Frankfurt-am-Main 1. Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1. INTERNATIONAL AND BRITISH OFFICES

**EDITORIAL OFFICES** Amsterdam: P.O. Box 1296, Ams Telex 12171 Tel: 240 555 Birmingham: George House, George Road, Telex 338650 Tel: 021-454 0922 Bonn: Presshaus 11/104 Heussallee 2-10. Telex 8869542 Tel: 210039 Brussels: 39 Rue Qucale. Telex 23283 Tel: 512-9037 Cairo: P.O. Box 2040. Tel: 938510 Dublin: 8 Fitzwilliam Square. Telex 5414 Tel: 785321 Edinburgh: 37 George Street. Telex: 72484 Tel: 031-226 4120 Johannesburg: P.O. Box 2128 Telex 8-6257 Tel: 838-7545 Lisbon: Praca de Alegria 58-10, Lisbon 2. Telex 12533 Tel: 362 508

New York: 75 Rockefeller Plaza, N.V. 10019. Telex 66390 Tel: (212) 541 4625 Paris: 36 Rue du Sentier, 75002, Telex 220044 Tel: 236.57.43 Rio de Janeiro: Avenida Pres. Vargas 418-10. Tel: 253 4848 Rome: Via della Mercede 55. Telex 610032 Tel: 678 3314 Stockholm: ein Svenska Dagbladet, Raalambsvagen 7. Telex 17603 Tel: 50 60 88 Telex 17603 Tel: 50 60 88
Tehran: P.O. Box 11-1879.
Telex 213930 Tel: 682698
Tokyo: 8th Floor, Nihon Keizai Shimburi Buliding, 1-9-5 Otemschi, Chipoda-lou, Telex J 27104 Tel: 241 2920
Washington: 2nd Floor, 1325 E. Street, N.W., Washington D.C. 20004
Telex 440340 Tel: (202) 47 8676

Manchester: Queen's House, Queen Street. Telex 666813 Tel: 061-834 9381

Moscow: Kutuzovsky 14, Apartment 1, Moscow. Telex 7900 Tel: 243 1635

ADVERTISEMENT OFFICES Birmingham: George House, George Road. Telex 338650 Tel: 021-454 0922 Edinburgh: 37 George Street. Telex: 72484 Tel: 031-226 4139 Leeds: Permanent House, The Headrow. Tel: 0532 454969

Madrid: Espronceda 32, Madrid 3. Tel: 441 6772

SUBSCRIPTIONS

Manchester: Queen's House; Queen Street. Telex 666813 Tel: 061-834 9381 New York: 75 Rockefeller Plaza, N.Y. 10019 Telex 238409 Tel: (212) 487 8300 Paris: 36 Rue du Sentier, 75002. Telex 220044 Tel; 236,86,01 Tokyo: Kasahara Building, 1-6-10 Uchikanda Chiyoda-ku, Telex J27104 Hel: 295 4050

Overseas advertisement représentatives in Central and South America, Africa, the Middle East, Asia and the Far East. For further details, please contact: Overseas Advertisement Department, Financial Times, Bracken House, 10, Cannon Street, London EC4P 48Y

Copies obtainable from newsagents and bookstalls worldwide or on regular subscription from Subscription Department, Financial Times, London For Share Index and Business News Summary in London, Birmingham, Liverpool and Manchester, Tel: 246 8026

CHEMICALS, PLASTICS—Cont. BANKS & HP—Continued Price at Net Cur Se's PE Stark 1311 3.44 — 7.1 — Aug. 26.3 4.6 — 5.1 — Dec. 26.2 10.15 6.0 4.5 4.4 June 12.2 3.52 1.1 11.2 12.4 Agr. 34.7 3.79 — 3.4 5.6 5.0 Feb. 12.3 16.44 4.8 5.6 5.0 Feb. 13.11 079-8 28.1 61.2 — Jan 13.11 079-8 28.1 6.8 Nov. 77.11 0.15c 1.0 5.2 18.5 Feb. 11.12 2.94 4.8 4.2 7.3 Apr. 13.11 0.15c 1.0 5.2 18.5 Feb. 11.12 2.94 4.8 4.2 7.3 Apr. 12.3 12.83 5.7 5.0 4.7 May 9.4 12.90 — 4.1 — Feb. 77.11 71.3 54 8.1 — Feb. 31.18 5.5 — 8.2 — May 9.4 12.90 — 4.1 — Feb. 27.11 71.3 54 6.6 4 4 Apr. 31.5 0.65c 4 5.6 5 Apr. 31.5 0.65c 4 5.6 5 Apr. 31.5 0.65c 4 5.6 5 Apr. 31.5 0.65c 5 Apr. 31.5 0.65c 4 5.6 5 Apr. 31.5 0.65c 5 Apr. 31.5 0 Sept. Mercury Secs... 186 24,73,79 — Oct. Arr. Middland £1... 440 123 16.44 4.8 Dec. June Do. 71,% 83,93 £95 1311 0715,% 28.11 June Dec Do. 101,% 95-98. £933, 1311 0715,% 28.11 June Dec. Nat. Br. Aust. SA1 162 72.11 0715, 18. Juny Minster Assets... 60 1311 M3.8 2.5 June Dec. Nat. Br. Aust. SA1 162 72.11 0715, 18. Juny Nat. Com. Gro... 104 1112 2.94 4.8 Aust. Mar. Nat. West. £1... 380 123 12.83 5.7 June Octomen Bank £20 £885 9. 60 315% — May Nov. Schroders £1... 470 9.4 12.90 — 12. Juny Sectombe MG £1 2.50 77.11 (713.54 — Nov. June Trade Dev. \$1.50 \$111, 31.5 065c. \$4 \$1.0 June Trade Dev. \$1.50 \$1.0 J DRAPERY AND STORES Hire Purchase, etc. 90. Tappe Pt. 10n.
Feb. Baker's Str. 10p ...
Sept. Beattie (J) 'A'.
Nov. Bentall's 10p....
Bikan & Con. 20p.
Sept. Boardman KO 5o.

BEERS, WINES AND SPIRITS Sept. Mar. Allied Brews. 99
Feb. Sept. Amal. Dist. Pr. 10p. 39
Jan. July Bass 229
Dec. June Beil Arthur 50p 182ag
May Dec. Boddingtons 156
Jan. July Border Brews 94
Aug. Feb. Brown (Matikew) 168
Jan. July Budder Stew. 68
Feb. Aug. Bulmer (H.P.) 170
Aug. Surrowrood 212
Ph. My Jang, WC tty Lnn. Def. 30
Apr. Oct. Clark (Matthew) 169
Apr. Oct. Clark (Matthew) 169
Feb. Gerenall Whittey 162
Aug. Feb. Greene King 262
Aug. Feb. Greene King 362
Aug. Feb. Gulmers 20p. 984
May Oct. Impregroof 192 

BUILDING INDUSTRY TIMBER AND ROADS

Apr. Countryside 5p .
April Crouch (D.) 20p
Oct. Crouch Group ...
Oct. Douglas Robt. M.
Oct. D'wning G.H. 50p

| The content of the July Do. 'A' 10p.

May Fed. Land & Bid.

Finlan (John) 10p.

Finlan (John) 10p.

July French Kier.

Oct. Galliford &r. 5p.

July French Kier.

Oct. Galliford &r. 5p.

July French Kier.

July Hend So. 'A' 10p.

Jane Hewden St. 10p.

Jane Hewden St. 10p.

June Hewden St. 10p.

June Hewden St. 10p.

June Hewden St. 10p.

July Hoveringham.

Oct. Do. Res. Vig.

Sept. Heward Shut 10p.

Oct. LD. C. 20p.

May libstock Johnsen

Oct. Int. Timber.

July J. & Holdings 10p.

JC. E. G.

Sept. Jennings SAO. 50

Aug. Lightson Fictures

Jore Lightson Fictures

July Lawrence (W.)

Jure Liftey F. J. C.

July Lawrence (W.)

Jure Liftey F. J. C.

July London Brick.

Nov. McNeill Group.

Oct. Magnet & Shins.

June Maillisson Denny.

June Marchauel.

Mar Marches.

Meyer (Mont. L.)

Feb. Milbury.

Moller (Stan) 10p.

CHEMICALS, PLASTICS

ENGINEERING MACHINE TOOLS

Feb. June Mar. Feb. Oct. May Jan. Jan. Apr. July Mar.

Apr JAllen W.G.
Julyl Amal. Power
Ang. Andsn. S'clyde
Anglo-Swiss
May Ash & Lary
Ass. British 1220
Julyl Assoc. Tooling
Apr Astra Ind'l. 1Up
Nov. Aurora Hids
Sept. Austin (James)
Julyl Averys
May Rahrord & W.
May Rahrord 26 68 65 Oct. 124 113 - May 45 3.9 65 Mar. 15 85 10.6 Dec. 22 53 17.9 Nov.

ENGINEERING—Continued

Agr. Nov. Magnar Brorze
Jan. Jan. McKechnie Bros.
Joc. Apr. Mergaitt 50
Oct. Apr. Mergaitt 50
Oct. Apr. Mergaitt 50
Oct. Apr. Mergaitt 50
Jan. July Middand Inds. 50
Jan. Sept. Minkell Som. 10p.
Jan. Sept. Minkell Som. 10p.
Jan. Sept. Minkell Som. 10p.
Jan. Mov. Molins.
July Jan. Moss Erng 9
Apr. Nov. Metal (Jac) Hugs.
May Nov. Mewanan Torks.
Oct. Apr. Novithern Eng.
Sept. Feb. Morthern Eng.
Sept. Feb. Morthern Eng.
Jan. June Porter Chad. 20p.
Apr. Nov. Prestryich Parker
Sept. Jan. June Porter Chad. 20p.
Apr. Nov. Prestryich Parker
Sept. Jan. June Porter Chad. 20p.
Apr. Nov. Prestryich Parker
Sept. Mar. Priest (Ben)
July Dec. Proof-lipe/9-89
June Dec. R.C. F. Holdings
Dec. Apr. Record Ridgway
Apr. Oct. Apr. Record Ridgway
Apr. Oct. Apr. Record Ridgway
Apr. Oct. Ridger Sim. El
Mar. Sept. Rackliffe Inds.
Nov. May Rackliffe Inds.
Nov. May Restore Life.
Feb. Aug. Rich'as West. 50p.
June Sanderson Kayser
Mar. Oct. Saville 6. (20p)
June Jan. June Stander Jop.
Jan. June Jop.
Jan. Jan. Jan. Jop.
Jan. Jan. Jan. Jan. Jan.
Jan. Jan. Jan. Jan.
Jan. Jan. Jan. Jan.
Jan. Jan. Jan. Jan.
Jan. Jan. Jan. Jan.
Jan. Jan. Jan

Oct. Victor Products
May Vosper
June Waskin SOp.
June Waskin SOp.
June Waskin SOp.
July Wasker (C. & W.)
July Ward (T. W.)
July Ward (T. W.)
June Week assoc. 10p
May Weir Group
Sept Well man Eng'g
June W. Bron Sp'g 10p
Feb. Westland
June Wheesse
Weiser Was. 10p
Whitehouse Sop
July Williams (W.)
Apr., Wints & James
May Waif Elect. Tools
Jan. Wolsi'y Hughes.
Jan. Wood (S. W.) 20p
Apr. Win's Riton 121-29
May Yarrow SOp
May Yarrow SOp

FOOD, GROCERIES, ETC.

| 1112 | tid6.70 | 222 | 5.712.2 | Jan. | All | 1.2 | Jan. | All | 1.2 | Jan. | October | 1.12 | 7.0 | 1.7 | 2.6 | 2.4 | 7.4 | 7.8 | Jan. | October | 1.12 | 7.0 | 1.7 | 2.6 | 2.4 | Jan. | Jan 176 88 76 285 42 93 110 180 95 111 111 400 175 166 248

ian, Oci Linfood Hidgs
Décember Locientoods
May Nov. Lovell (G.F.)
May Jan. Low (Virn.) 20p
Och May Matthews (B).
Apri. Nov. Meat Trade Sun.
Morgan Eris. 10p.
Nov. Jane Morris (W.) 10p
May Needlers
Aug. Apri. Novthern Foods
Oci. May Nurdin Pik. 10p
Dec. Aug. Panto (P.) 11p
Pyte Hidgs. 10p
Jan. July Robertson Foods
Jan. July Robertson Foods June Spillers

Apr. Squirrel H\*a 12'-9
Sept. Sincis (Joseph)
Apr. Tate & Lyke £1.

I avener furt. 20p
Sept. Tesco 5p
Oct. Unigate
June United Biscuits.
Mar. Watson Phip. 10p HOTELS AND

INDUSTRIALS (Miscel.) 

المكتامن الميكل



INDUSTRIALS—Continued INSURANCE-Continued. PROPERTY—Continued INVESTMENT TRUSTS-Cont. Stack Price of Net Cor Re's PIE FINANCE, LAND-Continued Price Last Div CTT Gr's P/E Price 2 Net Cw Grs P/E July Ests. & Agency.

Nov. June Ests. & Gen. 20g.
Agr. Nov. Ests. Prop. Inv.
Jan. Aug. Evans Leeds ...
Agr. Bet. Fairview Ests. 10g.
July Frison. & Gen. 10g.
Feb. Sept. Gt. Portland 50g.
Jan. Apr. Green (R.) 10g.
Jan. Apr. Green (R.) 10g.
Jan. Apr. Green (R.) 10g.
Jan. Howember Harley Ind. 15 g. 20g.
Feb. Oct. Haarmerson 'A'
November Harley Ind. 15 g. 20g.
Feb. Oct. Harlesmere 10g.
Sept. Mar. Sept. Inney Property ...
July Oct. Land (next. Oct.
July Land Secs. 50g.
Mar. Sept. In 14 July 10g.
July Oct. July Land Secs. 50g.
Mar. Sept. In 14 July 10g.
July Oct. July Land Secs. 50g.
Mar. Sept. In 14 July 10g.
July Oct. July Land Secs. 50g.
Mar. Sept. In 14 July 10g.
July Oct. July Land 120g.
Oct. June Lon Prov Sing 10g.
Apr. Dec. Lon. Shop Prop
Apr. Sept. Lon Shop Prop
Apr. Sept. Lon. Shop Prop
Apr. Mar. Sept. Lon. Shop Prop
Apr. Sept. Shop Prop Arg. Brit. Ind. & Gert 113
June Brit. Ind. & Gert 113
June Brit. Ind. & Gert 115
Arg. Broadstone (20p)
Jr. 123 5.7 1.0 4.931.6
Arg. Broadstone (20p)
Jr. 123 5.7 1.0 4.931.6
Arg. Carlor Inv. ... 7841 23.4 2.1 1.0 4.035.4
Aug. Carlor Inv. ... 7841 23.4 2.1 1.0 4.035.4
Aug. Carlor Inv. ... 96
Carlor Inv. ... 96
Carlor Inv. ... 97
Aug. Carlor Inv. ... 133
June Carlor Inv. ... 134
June Cortinent' Inv. ... 135
June City of Orderd ... 865
Sept. City Actorn Inc. 295
Aug. Combinent' & Ind. 134
June Cortinent' Inv. ... 136
June Cortinent' Inv. ... 137
June Cortinent' Inv. ... 138
June Cort 247 143 16 10.4 8.9 263 0.4 6 38 6 263 12.5 4.4 5.711.8 23.4 8.0 3.1 4310.3 CIG COMPUTERS LIMITED, 56/70 Putney High Street. London SW15 1SF, England. Tel; 01-788 8212 45 39 72 34 292 35 28115 MINES—Continued OILS **AUSTRALIAN LEISURE** ZA 235 29 13 291

11.12(512% 19 66 7.9

25.3 17.54 3.0 3.3 9.9

21 4.9% 1162[11.6 —

25.3 045% 77.9

26.3 045% 4.4 3.8 17.1

11.6 11.0 0 48 8.2

21 07% 37.5 6.2 —

015% 81 — 19.9 015e 3.3 24 26.3 103e 0.7 1.1 1224 1311 01054 15.9 F46 -370 241 72.03 7.2 0.825.0
350 2524 438 9.5 1918.3
38 -- 0226 + 82.6
79 711 106.5 18 12.71.1
183, 477.00.1
152 12.3 64.96 1.7 4.918.2
332 49.033 31 15.25.2
249.033 31 15.25.2
249.033 31 15.25.2
252 251.2.97 1.6 1.9.75.5
450 12.3 17.06 12 2.3 54.0
38 26.2 1.0 1.6 3.3 (8.9)
26.4 373 -- 0 3.3 6 TINS MOTORS, AIRCRAFT TRADES **OVERSEAS TRADERS** SHIPPING Jacobs (J. 17 db)
Lon. (\*Seas. Frds.
July Lyle Shipping ...
Oct. Man. Liners 20p.
Mersey Ok. Units.
Milford Oocis £1.
Milford Oocis £1.
July P. & O. Defd. £1...
Oct. Reardon Sm. 50p.
July Runcimian (W.). Components COPPER Dec.|Messina RO.50 .... | 107 SHOES AND LEATHER Feb Allebone 10p#
Feb, Booth (Intri')
Dec, Footwear Inns.
June Gentar Scotthair
June Heaften, Sins 5p.
May Hittons 20p —
Dec, K Shoes.
Oct Lambrett Hth. 20p
Oct Newbold & Burt'n.
Aprill Oliver (G) 'A'.
May Pittard Grp.
Ap. Stead & Sim 'A'
Nov. Strong & Fisher
Sylo Shoes
Apr. Timner W & E 10p
May Ward Whitte —
ry Wearra 110a **MISCELLANEOUS** \$75 --317 --319 125 30,9 125 RUBBERS AND SISALS Last Dir Yild Stock Price **GOLDS EX-\$ PREMIUM** gust (Aprica)

pust (Aprica)

pust (Aprica)

Bertam Cons. 10p

Bradwall 10p

Nov. Castlefield 10p

Inne Chersoness 10p

Dec. Cons. Plants 10p

July Guttrie £1.

Oct. Navisos My. Es. 10p

May Highlands M50c

Nov. Kusia Kepong M51.

July HKulim M50c

Jan. Lan. Surretra 11p

Jane Malakoff M51

Jane Malakoff M51.

Jane Malakoff M51. 11 53 262 6 44 6 10 65 226 11 61 231 10 10 41 43 52 48 28 10 61 27 27 10 55 0 6 48 6 10 41 36,9 13 36 326 11 48 226 11 48 226 11 48 226 12 50 28 2 10 5 4 30 1 11 6 5 23 8 9 8 6 SOUTH AFRICANS TEXTILES

TOTAL STATE OF THE ST 123 15 15 22 | XTILES | 122 | 123 | 123 | 124 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 1 **TEAS** ## different of the control of the c India and Bangladesh 270 295 119 29 395 295 380 32 137 196 O.F.S.

110 | 122 | 1012; | 2.01 | 6.5 |
50c | 5142 | 30.10 | 10315; | 2.413.7 |
88 | 71 | 301 | 26.3 | 070c | 4 | 17.9 |
50c | 889 | 30.10 | 1050c | 3.2 | 10.7 |
50c | 690 | 30.10 | 1080c | 3.3 | 7.2 |
11 | 239 | 3.3 | 10190c | 1.4 | 15.0 |
239 | 30.10 | 1065c | 1.6 | 13.2 |
50c | 50c | 50c | 50.10 | 10015c | 1.4 | 1.1 | Sept. Feb. Free State Dec. 50c
Jun. Dec. F. S. Gerduld 50c
F. S. Saalglaas RI
Jun. Dec. H. S. Saalglaas RI
Loraline RI
Loralin **FINANCE** Sept. | Ang. Am. Coal File. |
June Anglo Arner. 10c. |
June Anglo Arner. 10c. |
Ang. Ang. Ang. Ang. Cold R.1
Ang. Ang. Vaal 50c. |
July Crearter Cors. |
Dec. Coros. Gold Fields. |
May East Rand Con. 10p |
May Sen. Mining 40c. |
Sept. Gold Fields S.A. 25c. |
Oct. Sold Fields S.A. 25c. |
Oct. Minoron 58:01.40 |
Minoron 58:01.40 |
Patine NV Fis.5. |
Rand London 15c. |
July Selection Trist. |
Feb. Sentrus 10c. |
Oct. Silvermines 21:30. |
Lity Tanic Cor. 50p |
Lity Tanic Cor. 50p |
Lity Tanic Cor. 14. |
Sept. | U.C. Invest R.1 |
Nov. Union Coryn. 6.25c. |
Mar. | Vogels 21:2c. |
Min. | Min. | Dec. | June | Yourds. & Lames. | 33 | 2111 | 1571 | 1.0 | 7.1121.8 | Feb. | June | YoungCosinv.E1 | 10872 | 1311 | 13.71 | 1.0 | 5.130.7 | Feb. | June | YoungCosinv.E1 | 10872 | 1311 | 13.71 | 1.0 | 5.130.7 | Feb. | June | YoungCosinv.E1 | 10872 | 1311 | 13.71 | 1.0 | 5.130.7 | Feb. | June | YoungCosinv.E1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | OPTIONS 3-month Call Rates DIAMOND AND PLATINUM

v. MaylAnglo-Am.lint.50c | £42 | 25.3 (0750c | 0 | 11/2 (1750c 

8 Invertesk
14 KCA
32 Lachrote
52 Legal & Gen
18 Les Service
18 Licyts Benik
15 "Lori?"
28 London Brick
29 Lori?"
21 Loris India
5 "Maris"
10 Mr.c. & Spote
8 Middand Bonk
21 N.C. & Spote
8 Middand Bonk
21 N.C. West Bank
20 De. Warrants
14 P & O Did.
21 Plessey
22 R.H.M.
50 Rack Org.
21 Reed Indi
30 Spillers
24 Tesco
25 Trust Houses
15 Tube Invests

208 | 123 †060c 24 23 4 056 132 | 1274 — 43 | 9.4 | 99c 131 | 1175 —



### FINALVUIALTIMES

Monday April 30 1979



### Sears puts off price rises

By David Buchan, in Washington

SEARS ROEBUCK, the biggest U.S. retailing chain, is to postpone some of itsplanned price increases this week, after an appeal by President Carter. It is the first time he has directly intervened at company level to bolster his sagging volun-tary anti-inflation policy.

The President spoke to top Sears executives on Friday, after the bad news that consumer prices had risen in the first three months of this year at an annual rate of 13 per cent, the fastest pace for four and a half years.

The calculation by the White House, which has little except public opinion to back its policy, was that big con-cerns selling directly to the public, could not afford to be branded as flouting the price guidelines. These urge com-panies to hold their price increases to half a percentage point less than those in

Two companies which have put off back price increases with less fuss were Aluminium Company of America (ALCOA) and Scott Paper. Meanwhile, the Council on Wage and Price Stability, the watchdog of the anti-inflation programme, has named two other names companies. Crown Zellerhach and Harnmermi!! Paper, as probably violating the price standard.

י ביווונים בסותחם מייוונים is partir seen or a con to the tride unions which view the latest in ation flowers, with the recent curre in compete No on the the first marter, is not planta the part in he 

Many big unions, however, are n'es bring less tran co-onergire. By all except the the recent wage settlement won by the Teamstern' truck drivers union severely breached the Provident's recover for a 7 per cent ceiling on annual nav Increases. dent as the United Auto and the control of the page. الأأمامه المشارسة والمراد والمراد والماران

### U.S. agrees Jaran N-fuel shipment

THE U.S. Administration has approved the export of another ship!oad of spent nuclear fuel by Japan for repro essing at Windscale in Britain and La Hague in

The U.S. Nuclcar Regulatory Commission has signed the documents giving approval for the Japanese fuel-originally enriched by the U.S. Government—to be

One final hurdle remainsapproval from Congress, before which the MB-10 documents, requesting export permission, must lie for 15 days of continuous session. This started last week.

There are signs of a nev agreement between the U.S. and Japan which may prevent future delays in approving transfers of spent fuel. It would guarantee speedy approval of the Japanese request for MB-10s in exchange for a public state-

ment by Japan that its interest in using plutonium to re-fuel its present reactors has greatly diminished. It had been feared that the

reactor accident on Three Mile Island and its wider consequences for U.S. unclear power-the major preoccupation of the Nuclear Regula-Commission — might delay indefinitely requests for

export permission. would have created serious difficulties for two Jananese electrical companies. Tokvo Electric Power and Kansai Electric Power, which have reactors whose spent fuel storage canacity is now almost folly officed, end which could lose their licenre to operate if they have insufficient empty storage

canacity. The .Jananace utilities, grater the terms of their confracts with British Unclear Friels and with Coverns in France to reprocess 4 800 tannes of enemt faci muct plen mapt any lagge incorred he those companies through halve to the voccel described he RNRT, to nick it no. Feature. Page 16; Windscale leak Page 4

### Iran holds down oil exports

BY SIMON HENDERSON IN TEHRAN

thirds of pre-revolution output, eight days. and says it can produce this without foreign oil experts.

ment yet, the National Iranian Oil Company said it had been careful conservation.
instructed by its Government Exxon, the U.S.-based oil not to exceed total production major, has also warned of severe of 4m barrels a day, including oil shortages this winter if steps domestic demand production, are not taken to reduce control of the shortfall from pre-sumption.

Tevolutionary production levels Last week British Petroleum,

more than 6m b/d is equal to more than 6m b/d is equal to between 4 per cent and 5 per cent of world crude output. But the 4m b/d production figure is entirely in line with oil industry forecasts and, while oil supplies are certain to be tight this winter, it is unlikely to lead to an energy crisis in the West

to lift 235,000 b/d from Iran, ment for 2.3m b/d had so far said that by the end of the third

IRAN IS to hold down its oil quarter of this year, it expected deal for 5,000 b/d to the 450,000 members of the consortium. like exports to about 3m barrels a oil stocks in the West to be b/d sold to British Petroleum. Exxon and Texaco, will not be day, which is less than two- down on last year by seven or BP previously purchased 1.2m

to be reductions in oil con-In its clearest policy state- sumption-but that it would be Iran's oil. possible to avoid a crisis with

worst hit of all the oil companies by the revolution in panies by the revolution in Iran, started implementing its plan to make further cutbacks to third-party customers. Like Shell, BP has signed a contract Lanka, and East Europe for a with Iran and this will give the company 450,000 barrels a day of crude.

Mr Hassan Nazih, NIOC's chairman, said in Tehran yesterday that 35 nine-month agree-

crisis in the West Mr Hassan Nazih, NIOC's
Earlier this month Shell, chairman, said in Tehran yesterwhich has just signed a contract day that 35 nine-month agree-

b/d when it led a consortium of Shell said there would have companies using nearly 1,000 o be reductions in oil con-experts to produce most of

In his breakdown of the contracts signed, Mr. Nazih said 21 had been with independent major, has also warned of severe oil shortages this winter if steps are not taken to reduce consumption.

Last week British Petroleum,

Lim b/d, and six with other countries for 270,000 b.d.

Twenty more agreements

700,000 barrels.

like. BP, Shell, Compagnie Francaise des Petroles and Gulf alone have already arranged to buy 945,000 b/d of the total available to former consortium members of 1.1m b/d.

The contract price is believed to be around \$16.47 per barrel for light crude and \$16.04 for heavy crude. Additional conditions imposed by the Iranians are said to be that spot spur-chases of Iranian oil should already have been made, and that three per cent should be taken as bunker fuel.

This style of selling, said to be unusual in the oil industry, has meant that the American company Exxon is reported to be buying only 50,000 b/d instead of an intended 200,000

Mr. Nazih repeated that Iran ment for 2.3m b/d had so far Industry experts say that on would not sell oil to Israel or been signed, ranging from one these figures some former South Africa.

### Tory stars raise Equity

Mrs. Thatcher, flanked by

Lord Thorneycroft and Mr. Jim Prior, acknowledges the applause at the end of yesterday's star studded spectacular at the Wembley Conference Centre, North London, when a small contingent of Equity members led the assembled 2,000 Tory trade unionists in a special version of "Helio Dolly." The song, which contained such rousing sentiments as "you're going strong Maggie, won't be long Maggie, till you that turn that key, then Mrs. T. you'll see Big Ben," appears to have taken over from last week's Con-servative anthem of "Blue is the colour, Maggle is the

### Shell and BP must surrender Rhodesia oil data to police

BY SUE CAMERON

Shell have been served with the deadline was. notices requiring them to give The two companies said that all documents concerned with the notices had been served on orlesion, Sintland Yard.

served at the beheat of Sir would comment any further

oil supplies to them on Friday night, and both the DPP. reland Yard. said they would be complying The notices, which were with them. Neither company

Theres Estherizion, the The serving of the notices imply that prosecutions are in Director of Public Prosecutions, follows the completion of a the offing. The DPP's office were authorised by Dr. David police report on alleged sanc-does sometimes ask for further owen, the Foreign Secretary, tions breaking by Shell and BP information—beyond that prounder the Rhodesian Sanctions which has now been sent to the Order, 1968. They order the DPP: Scotland Yard was asked before two oil majors to deliver the to investigate the two oil groups on wh necessary documentation to and report back to the DPP last action. Scotland Yard within a specified autumn after the publication of time, but last night BP and the Bingham report on sanc- lished

It is understood that the demand for documents from BP and Shell does not necessarily vided by a police report— before making a final decision on whether or not to take

The Bingham report, publast September, con-

Government in seven of the years following the imposition of sanctions in 1965.

It also found that, for a further three years, the BP and Shell subsidiaries were involved in a swap arrangement with Total of France which enabled Rhodesia to be supplied with

The Eingham report further disclosed that the Labour Government had been told of the sanctions breaches in 1968.

### that tax policies "generally will provide incentive to save and build up capital" has left open the question of whether some specific encouragements to the purchase of equities, on the lines of the Loi Monory in France, might be introduced here. The major reform of the Monory law is both elegant and

tive victory on Thursday has

aiready done a great deal for

the Stock Exchange, but the party has not been short of

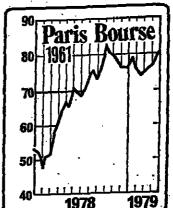
advice on how it might do rather more. In particular, the rather vague promise in the manifesto

radical—each taxpayer may deduct up to FFr 5.000 a year for four years from his taxable income provided that his net holdings of French equities increase each year by the same amount. The law's other provi-sions, encouraging the issue of preference shares and the advance of unsecured loans with a rate of interest linked to the horrowing company's earnings. have had a relatively small

But the enwity investment scheme has shown impressive tesnits. The first deadline was. December 31, 1978, and although some French taxpavers seem to have taken a good deal of persuading that there was no sinister catch behind the Government's apparent generosity, something over FFr 5bn seems to have gone into the Bourse thanks to the new law

One reason for the introduction of the law was to encourage the building up of savings. Although the advantages provisionally expire at the end of 1981, anyone within 15 years of retirement may 20 on years of retirement may go on setting off share purchases against tax until pensionable age — which means until 1996 at the latest. But the root of the new legislation was official Spancial position of French com-

The French boom was still running very strongly in 1973, and companies carried heavy capital spending commitments PETROLEUM and Shell both refused to say when tions breaking. The Yard said cluded that southern African last night that any further subsidiaries of Shell and BP 1977 major French combond market has fallen to about them to give The two companies said that action against Shell or BP sold oil directly to middlemen panies were on average more 10 per cent from 25 per tent. highly geared than their foreign. competitors and had a much an attempt to take advantage of the very strong stock mar-ket conditions immediately after last year's parliamentary "he public for investment.



THE LEX COLUMN

Translation snags

for Loi Monory

New issues were launched by number of blue chip companies—Cle Générale d'Elec-tricité, Cle Française des Pétroles, Lafarge, Saint-Gobain-Pont-à-Mousson—which might have come to the market anyway, sithough it is certain that the flows of "Monory money".

into the market (FFT 6.50n of it through special unit trusts) kept conditions firm.

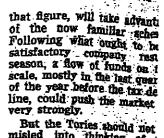
This year may be different. The major banks and the Patronat (Employers' federation) are expecting a lower overall figure. Even if indus-trial investment is on a rising trend, new spending will be increasingly self-financed, as profit margins have recovered somewhat with the lifting of price controls and the fall in. interest rates. If there was a surge of spend-

ing by French companies, however, they probably would find themselves raising equity capital, if only because the controls on bank credit expansion put a fairly low ceiling on sion put a fairly low ceiling on overdraft growth. Funds from long-term State lending institutions such as the Crédit National are not subject to the credit restrictions, but corporate direct access to the domestic bond market is becoming more diffi-cult as the deficits of State bodies and the State itself crowd out private hostrowers. In crowd out private borrowers. In the last few months the private of auditing and enforcement sector's share of the private remain to be decided. sector's share of the primary bond market has fallen to about

But if company spending is as sluggish as the Patronat book of ED 24 company ex more precarious cash position.

Against this background the order books of capital goods of Phillips and Drew, who has manufacturers suggest, then previously tended to monop of the very strong stock market for funds and the field. On average, ED 24 ear has another funds and the field. On average, ED 24 ear has another funds and the field. Monory money will go straight ings per share (mostly for 197 into the secondary market. The are estimated to fall 23 p banks are expecting up to FFr 7bn this year on the assume elections in France. There were banks are expecting up to cent. short of the historical crights issues of about FFr 4.4bn

FFr 7bn this year on the assumpfigures. This agrees were refer 31bn were offered to a taxable income of FFr 80.000 shortfall to be published by



But the Tories should not misled into thinking of Monory law as being primas a small shareholders chart The French Government certainly anxious to wean thrifty citizens of gold by but its overriding intention to restore the financial health to restore the manness nears the corporate sector by increing the liquidity available the Bourse. In London, is tutional cash flow is so as that there is no real shortage equity finance, particularly public sector borrowing is to reduced. The Loi Monory is a reduced to the loi Monory is a reduced. or not primarily—a glasmi a British imitation just mi

Today ED 24, the nexposure draft on current o accounting, is formally unveil with its introduction of t MWCA, which is not a NAS fighter-bomber but stands the monetary working capitadjustment. This measure split the gearing adjustment between that part which relat to operations and that he which reflects the long tel financing of the business is worthwhile step. But there it tricky problems of definitive which will involve drawn demarcation lines in what we often be arbitrary positions.

For the rest, the new pra-sional standard—sensibly taki a step at a time—mostly de-with developments in presen-tion and coverage, compar-with the interim Hyde guilines, rather than with chang of concept. The Accound Standards Committee still is plenty of battles to win. It not even trying to get proper companies to comply— exemption which the shippi

Mesowhile, congratulation are due to brokers W. Gree or more, and quite a few below and D tomorrow.

### Big foreign currency inflows

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

fixely commune is likely to have he ed into the UK this month, most of it before the Bank of England's decision on April 5 to step large-scale intervention to check exchange rate

This is expected to be shown by the official reserve figures for April, due out on Wednesday. These are the only remaining major economic

some new borrowing.

statistics due before the elec-

munications system is to be systems.

'Hyde Guidelines."

reserves stood at \$21,95ba sheared and the re-(219.7bn) at the end of March. in the read-for this week, This inflows may have amounted to

Concern about the possible to its level of before April 5. implications of these inflows for domestic monetary control led to a change in intervention tactics on April 5. This was followed by a sharp, but short-lived rise in sterling.

Navy £70m satellite deal

A NEW, satellite-based com- sively replace the Mark I

introduced soon to a number is still being developed. Dr.

of larger British naval vessels is still being developed. Dr. John Gilbert, the Defence under a contract worth £70m.

It is understood that the would make the UK communica-

about its objectives.

There were, for example,

In the first few days of April occurred when the tradeweighted index, measuring sterseveral hundred million dollars ling's value against a basket of following in underlying rise in the reserves of 81bn in March.

The other main influence on the reserves this month will be the restructuring of overseas debt. Mr. Denis Healey, the Chancellor, announced in his caretaker Budget speech on The direction of change in The Bank has not, however, April 3 that \$1bn would be the published reserves total is completely withdrawn. Its repaid to the International policy appears to have been to Monetary Fund this year; it is here been sizeable repayments try to keep the market guessing not yet clear when this will

Markets Page 31

Times

Continued from Page 1

works yesterday, but that they

would be unable to do so sub-

threats of "-criminal violence."

sequently. The police, it said, Alactio advised that attempts to produce Amson Arbers

strong to gale force Lordon, S.E. England, Midlands Showers, sunny intervals. Max, 8C (46F). E. Anglia, E. England, Cent. N.

England Showers, bright intervals. Very cold. Max 46C (3943F). Cent, S. England. Channel Isles, S.W. England, S. Wales Rain, bright intervals gales

near coasts. Max 8C (46F). N. Wales, N.W. England, Lakes, I. of Man. S.W. Scotland, Glasgow, N. Ireland Showers, heavy at times, bright intervals, Very cold, Max.

44C (3943F). N.E. England Rost of Scotland, Orkney, Shetland Wintry showers, bright inter-vals. Very cold, Max. 2-4C (36-

Outlook: Showers, bright intervals, very cold.

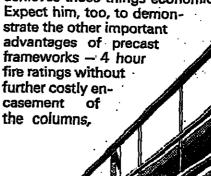
WORLDWIDE

(GEC), over the provision of a	Minister, said yesterday it would make the UK communications system compatible with those of NATO and the U.S. Navy. SCOT will allow more efficient tracking of enemy aircraft and submarines. It will operate through the MARISAT	violence.  A spokesmen for TER Druckerei said there was a crowd of 300 outside the print works and many were Turkish.	Rahrain Borcina. Rolfast Belard. Berlin	21 28 28 28 28 28 28 28 28 28 28 28 28 28	20 Luxmbg. Luxor Meddrid 50 Majorca 54 Majorca 54 Majorca 55 Majorca 56 Majorca 66 Majorca 67 Majorca 67 Majorca 68 Majorca 69 Majorca 60 Major	FFSSRSCOSCSFS	15 59 16 57 16 57 16 64 17 55 18 64 18 64	
Continued from Page 1 Inflation acc		He confirmed that it was The Times which had decided to call off the print run. "We were prepared to go ahead and our workers supported us. We had printed about 300 copies when	Cardin Cas'b'ca Cane T. Chicase Cologne Contagn. Corfu Dublin Dhrynk.	S 18 C 20 R 6 C 11 C 7	52 Price 64 Opports 67 Oplo 67 Paris 52 Perth 45 Proque 61 Reykivk. 51 Rhades 61 Rhades	S C F 2 C F 2	15 59 21 70 6 43 11 52 29 50 29 50 27 81 28 79	
In other ways the new draft takes the current cost accounting method of adjusting for inflation a good deal further. The key development is the "monetary working capital adjustment," MWCA for short. This charges the current cost profit and loss account with the cost of maintaining working capital in current terms, instead of just maintaining stocks and assets—as in the	The additional element in the MWCA is a correction for the inflation effect on debtors less creditors. The logic of this is that a company loses from lending money and gains from borrowing.  Other developments from Hyde are that ED 24 calls for a current cost balance sheet and for current cost earnings per share to be shown by listed	The Times called off the run," he said.  According to The Times management, plans to produce the European edition in the Frankfurt area have now been abandoned, but Mr. Rees-Mogg did not rule out attempts to print the edition elsewhere in West Germany. He deplored the fact that a magazine with a world-wide circulation could be prevented from publishing by threats of "Arminian" violence."	Edningh. Fora Forence Frankfr. Funchal Goneva Gibritr. Glasaow G'msav Helsinki H. Kong Innabrk. Invmss. I.o.Man Istanbul Jersey Jo'burg L. Pims.	1216117117 90344 3 9 92 9 23 0 F	9/ Romo 71 Saltburg 53 Sindaor 53 Stekhm 63 Strashg 75 Svdney 64 Tencior 45 Tencior 37 Tencrille 75 Tokyo 48 Tunis	SCSCCCSSSFCCFCFFCF	618795566665586566655865666558656665586566655865666558656665586566665666666	

# CRENDON

### Always rise to the occasion

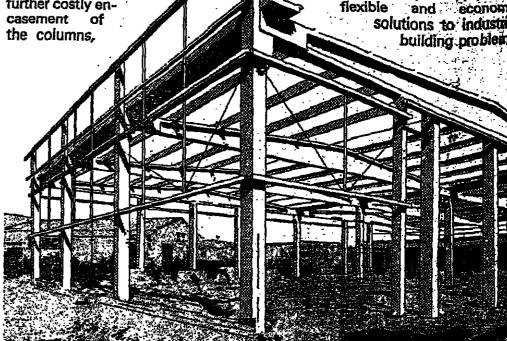
Look to the architect to give you the maintenance free structures while right Production/Storage/Office ratios in your new building. Expect the architect to look to a Crendon concrete frame for just that degree of flexibility in the final layout which achieves those things economically.



require no painting, ever. This new development at Welw Garden City for the new Towns Commission provides 30 industrial unit and covers 6000 sq. metres. It we

designed by the Louis de Soisson Partnership around Crendon 4 frameworks to have the wides appeal to potential occupants. Wherever the occasion demands i Crendon always supply fast

flexible and economic solutions to industria building problems



CRENDON CONCRETE CO. LTD Thame Rd, Long Crendon, Aylesbury, Bucks. HP18 9BB Tel: Long Crendon 208481 NORTHERN Rawcliffe Rd., Goole, N. Humberside. Tel: Goole 4201. SCOTLAND Shotts, Lanarkshire ML7 58P. Tel: Shotts 20261.